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AN ANALYSIS OF CONDITIONS WHICH HAVE RESULTED IN BLOCKADE OF FREIGHT TRAFFIC

Congestion at Ocean Ports Has Been Chiefly Responsible.

OTHER UNDERLYING CAUSES

War and Its Effects Have Provided the Chief Factors for Tie-Up—The Outlook for Earnings.

The freight blockade has caused such a crisis in the transportation—and, therefore, general business — affairs of the country that an analysis of the causes and probable effects of the situation and the conditions which brought it about should be of general interest. Particularly is this the case in view of the attitude of the majority of the daily papers which deem it good policy to foster the public resentment against the railways because the average reader is pleased to have his daily paper support the theories which he has established for himself without inquiring into economic factors and underlying causes. The railways are naturally the obvious cause of the tie-up of transportation. but those who will look further—to the other end of the line in fact—will find that there are other direct factors over which the railways have no control and contributory causes over which they could not be reasonably expected to exercise influence.

Some of the causes which have contributed to the blockade are: Lack of ocean shipping facilities. Abnormal movement of freight eastward. Unusually great industrial activity. Heavy weather conditions. Shortage of labor. Heavy demand for coal for domestic and industrial purposes.

So far as the general tie-up of freight is concerned the first mentioned factor is the most important. It, like the others, with the exception of the weather, is a development of war conditions. The railways can hardly be blamed if they did not foresee the war and its consequences. The country is now and has for some time been devoting itself to capacity production of supplies, manufactured and natural, for the allied cause. This has led to a heavy movement of freight to the East. At the moment when this was at its height the German submarine campaign dislocated the ocean service. The freight began to back up at the seaboard. Yards filled and interior yards felt the congestion. Then the embargoes made their appearance and the effects were felt further and further from the actual scene of the first difficulty.

The Coast Blockade.

To better explain the blockade at the coast the reader should appreciate the system of handling ocean-going freight. There are not usually great storage facilities available. The usual procedure is to move the freight from the cars to the boats. The shortage of boats, therefore, soon resulted in a congestion when there was an abnormal pressure from the interior of the country and this congestion rapidly worked back to interior points when the funnel of the system was clogged. With a normal movement of freight the difficulties would not have been so great, but the blockade came at a time when every effort was organized to move goods to the Atlantic outlets.

The Other Factors.

Conditions were such that the systems were not prepared to handle such a situation efficiently. Shortage of labor has long been felt not only in the handling of freight, but in the mechanical departments where the motive power is kept tuned up. Then came nearly two months of consistently hard weather. This was not such a factor in Central Ontario, but further East the heavy falls meant heavy labor in the terminal yards, while snow and cold also resulted in smaller trains being moved.

The coal blockade was a development of the conditions referred to. At a time when domestic consumption was particularly heavy and industries with their extensive activities in metals production were using more than probably at any time in their history, it did not take long for the congestion in the movement eastward to affect that from the coal fields. It was another cog of the machine thrown out, and it does not take many cogs out of a highly organized system to cause serious trouble.

As to the Railroads.

That the railroads have been doing everything they could to relieve the situation goes without saying. They are the greatest losers of all by the blockade. They are paid to transport freight from one point to another and every day that they delay they lose on the transaction; they are not paid storage on cars held up. Besides, the statements of the Railway Commissioners and others have indicated that all possible effort was being devoted to the big problem.

As to there being a shortage of rolling stock and motive power, this is probably the case in a measure. All over the continent the transportation systems have been more or less starved for equipment and replacements. At the time of the outbreak of the war, when still more stringent economies of operation were put into effect, the Canadian systems had thousands of idle cars. Naturally, under such conditions and with a period of depression in view no expenditures were undertaken for motive power or rolling stock while all but necessary repairs and replacements were dispensed with or deferred.

The result was that when traffic began to increase the roads were in a position to meet ordinary conditions, but were not well equipped to handle the heavy freight movement which recently developed. Since this improvement has been noted there has been little opportunity to buy cars, engines or other equipment, because the entire steel production of the country has been for war purposes. The removal of some couple of thousands of miles of Canadian rails to Europe might be recalled in this connection as illustrating the requirements of the Allied cause. Again, even had there been an opportunity to secure equipment the prices were such that no railroad board could force them without some assurance that rates would be increased to meet the situation.

The railroads have suffered largely from conditions over which they had no control, which could not have been foreseen and which probably could not have been overcome if they had. They have had their faults, but they have not been such as to warrant the public blame which has been accorded them.

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NEWS OF SECURITIES.

THE FINANCIAL POST'S review of the Canadian Security Markets will be found on pages 2, 3, 4 and 5, under the following heads: STEEL STOCKS, PULP AND PAPER, TEXTILES, MILLING, MINING, TRANSPORTATION, ELECTRIC RAILWAYS, LIGHT AND POWER. Other Stocks, including general industrial and other securities not embraced in the foregoing groups and arranged in alphabetical order.

FRIDAY'S PRICES.

Following are Canadian stock transactions at Friday morning's session:

	High.	Low.
Steel of Canada, com ...	.62	.60⅝
do., pref.	.94	.94
N.S. Steel	1.11	1.07½
Dominion Steel	.62¼	.61
Brazilian Traction	.43⅝	.43⅝
Con. Smelters	.31¼	.31¼
Can. Cement	.60	.60
Toronto Rails	.85	.85
Canada Steamships, com...	.34⅝	.34¼
do., pref.	.85⅝	.85⅝
Russel, com.	.85	.83
do., pref.	1.12	1.12
Monarch Knitting	.40	.40
Duluth-Superior	.51	.50
Can. General	1.00¼	1.00¼
C.P.R.	1.54½	1.54½
Mackay	.89	.89
Royal Bank	2.14	2.14
Can. Permanent	1.71½	1.71
Dominion Bank	2.10	2.10
War Loan, 1931	.96⅝	.96⅝
War Loan, 1925	.97⅝	.97⅝
Spanish River	.16⅝	.16⅝
Lon. & Can. Loan	1.32	1.32
Petroleum	12.38	12.37
Bank of Commerce	1.86	1.86
Rogers, pref.	.90	.90

INDUSTRIES AT HAMILTON.

American Drug Supply Company to Establish—Steel Co. Extending.

THE POST learns that W. T. Raleigh Company, Freeport, Ill., a big manufacturer of drug supplies, has bought a site at Hamilton, and is making plans for the construction of a $200,000 manufacturing plant. Plans and specifications are already out and it is understood that the work will proceed at once.

The Union Drawn Steel Company of Hamilton, a comparatively small concern, which is a branch of a Pittsburg manufacturing firm, is planning to extend by the construction of a fairly large factory building.

The activity of American industries in Canada is of particular interest at this time because it may be taken to indicate developments which these companies are anticipating with the conclusion of the war.

PAPER MANUFACTURERS DISCUSSED SITUATION

Question Now is Just How to Apportion Burden of Supplying Canadian Publishers.

The members of the newsprint section of the Canadian Pulp and Paper Association met in the Association's rooms in the Shaughnessy Building, Montreal, on Wednesday afternoon, to further consider the newsprint situation created by the two Orders-in-Council recently passed by the Government in connection with the matter. The subject was discussed at length, along the lines suggested in THE POST of last week, but the situation did not result in any definite clear-cut conclusions being reached.

The outstanding fact is that the Government has decided that the Canadian publishers are to get their newsprint for two and a half cents a pound. The problem that the manufacturers find rather perplexing is how to distribute and apportion the burden. The pro rata principle has been decided on, but just how that will be worked out is another matter. At the present time there are certain manufacturers who are not handling any Canadian business at all, and who do not want to handle any.

Some of them prefer to pay other mills to handle their proportion, but the question of the price as between the manufacturers is another matter calling for close consideration, in order to get it worked out on a proper basis.

With regard to the reports that the United States Government are to fix a price for the product of both American and Canadian mills, the Canadian manufacturer cannot understand just what jurisdiction the Washington Government has over them. For the surplus needs of the American publishers over and above what can be supplied by the United States mills the Canadian manufacturers expect to receive the market price for their product.

WILL MAKE PAINT FROM OXIDE OF IRON DEPOSITS

Paint Products of Canada Has Been Incorporated With Capital of $500,000.

The Paint Products Company, of Canada has been incorporated with a Dominion charter, and head office at Montreal. The company will take over the and develop certain deposits of oxide of iron in the Laurentian Mountains, which have been pronounced by experts as suitable for the manufacture of paint. The promoter of the company is Jean Baptiste David Legare, real estate operator, of 11 St. James street, Montreal, who owns the mineral deposits which are to be utilized. The company has an authorized capital of $500,000. Mr. Legare says that he has received offers of adequate financing from both New York and Montreal interests. Various places are anxious to secure the industry, and have made offers of bonuses or guarantee of debentures. It has not yet been decided where the manufacturing operations will be carried on.

AFFAIRS OF MOORE GROUP IN FINE SHAPE

Satisfactory Review of Conditions at the Annual Meetings.

BUSINESS HERE AND IN U.S.

Mr. Moore Explains That There is no Difference—New Burt Issue—Salesbook and Carter-Crume Relations.

The affairs of the different companies with which S. J. Moore is associated, representing, as they do, the investment of Canadian capital in American, as well as Canadian enterprises, have more than usual interest from the investor's standpoint. The trend of feeling no doubt felt by a large number of shareholders was expressed in a question asked at the annual meeting of one of the companies this week, as to whether there was any marked difference between conditions in Canada and the United States as reflected in the profits of the different concerns. Mr. Moore replied that so far as could be noted from the results they were parallel as applied to the two countries, both as regards earnings and delevopment, commenting at the same time that conditions were exceedingly prosperous both in Canada and in the United States. The annual meetings at which Mr. Moore presided this week were the Wm. A. Rogers Company, the F. N. Burt Company, the Ameri-the F. N. Burt Company and the American Salesbook Company.

Company's Annual Will Be Later.

In connection with the meeting of the American Salesbook Company, some interesting information was given by Mr. Moore and the manager, Mr. Bovier. Mr. Moore pointed out that in 1916, the American Salesbook Company really had its first chance to show what it could do under reasonably favorable market conditions, with a result that the profits for the year increased almost 100%. over the year before, the booklet showing after the preferred dividend was paid 10 per cent. earned on the Common stock. He stated that the opportunity which the founders of the company foresaw had now arrived and apparently would remain. With respect to the past year, the directors had been at the beginning able accurately to forecast the extraordinary conditions that developed during the year, such as increases in raw material costs, and the like. The result was that by buying ahead and by making short term selling contracts in contrast with the long contracts which had previously been in vogue in the Salesbook trade, the company had been able to meet the situation successfully. One evidence of this was given in the fact that the replacement values of paper stocks held at the end of the year were over $75,000 higher than the price at which they were taken into the inventory. The company's position was very much improved during the year, with the result that at the year end the quick assets were $968,000, against total debts of under $300,000. The profits, it was stated, had increased in each quarter during the year, and it was confidently expected that the profits for the first quarter of the current year would be more than double those of the same period in 1916. Another interesting feature was the announcement that the company has now over 100,000 customers and was adding customers at the rate of about 1,000 per month.

Carter-Crume and Salesbook.

The shareholders' meeting of the Carter-Crume Company, which holds a considerable block of the American Salesbook Company's stock, and is now in fact only a holding company, is to be held in April. At that time the time for the exchange of Carter-Crume shares for American Salesbook shares will be announced. Carter-Crume Company, in fact, holds a majority of the shares of the American Sales Book Company, S. J. Moore being president of each company. The American Salesbook Company's field of operation is in the United States, east of the Rocky Mountains. One of the most interesting developments in the American Salesbook Company's field last year was the formation of an association of salesbook company manufacturers, this association having the effect of correcting many serious trade abuses which had arisen in the business in the United States. This fact, too, materially improves the outlook for the future.

Development of Burt.

At the annual meeting of the F. N. Burt Company, the shareholders were told some interesting facts about the development of the company as an efficient manufacturing organization,

Continued on page 7.

DIVIDEND ADJUSTMENTS OF MARITIME TELEGRAPH

Return to Shareholders Will Depend Upon Rates Allowed by Public Utilities Board.

At the annual meeting of the Maritime Telegraph and Telephone Company the year's report was highly satisfactory. The fly in the ointment was the cutting down of the valuation of the company's property by about $700,000, but as against that there was the statement of S. M. Brookfield, the president, that this would not affect any of the dividends. Subsequently, J. H. Winfield, the general manager, who has been made a director, stated that the reduction was important in respect of the fact that it was on this lessened value that the Board of Public Utilities will base its new schedule of rates. If it was decided that these be made so as to allow for the earning power of 8 per cent. on the amount of the replacement value of the property, then 6 per cent. could be paid on the capital. If the decision was 7 per cent., Mr. Winfield said, the directors would be able to declare only 3 per cent. on the common, leaving the preferred at 6. Mr. Winfield remarked that if 10 per cent. should be the figure reached by the board, then 8 per cent. would be available on the common. He had not much hope of 10 per cent., and there is no doubt it will be satisfactory if a scale that will enable the present 6 per cent. to be earned on the capital is struck. The valuation cost to the company, $24,000, will be added to capital expense, and will not be taken from current earnings.

A very satisfactory statement for the past year was presented at the annual meeting of Willis & Co., piano manufacturers. The following officers were elected:—A. P. Willis, president; R. A. Willis, vice-president; G. H. Willis, secretary; G. L. Duncan, treasurer; C. D. Patterson, F. G. Sharpe, W. D. Willis, and I. Willis, directors.

TO RAISE FUNDS FOR CANADIAN PACIFIC LUMBER

Receiver Gets Permission to Borrow $250,000 at 6 Per Cent., With 3 Per Cent. Discount.

By a plan which has just been authorized by the Supreme Court, the assets of the Canadian Pacific Lumber Company stand a much better chance of being realized on to advantage, than formerly. The receiver has been given permission to borrow $250,000 at 3 per cent. discount, the certificates to bear interest at the rate of 6 per cent. As soon as the issue is placed and the money is in hand, the bondholders who are in possession, will be enabled to pay off all claims against the company and cover operating charges for the next three years.

Some time ago leave was given the receiver to borrow $210,000 from the bank. When approached, the bank agreed to advance the money to pay off liabilities provided the bank's claims would be allowed to rank as preferred, which the receiver could not agree to.

WOOL GRADING DEPOT WILL BE ESTABLISHED

Winter Fair Buildings at Guelph to be Utilized by Ontario Association.

SHEEP-RUNNING DOG MENACE

Developments to Improve Wool Supply Are Taking Place Along Lines Advocated for Some Time Back by the POST.

The announcement made this week that the Ontario Sheep Breeder's Association had secured the use of the Winter Fair Buildings at Guelph for the establishment of a central depot for the grading and preparation of wool for the market, follows upon the agitation for the development of more wool grading centres in Eastern Canada.

The West already has several co-operative associations, which have been doing good work in handling the wool business in the Western provinces and there are several similar associations in Quebec, the Maritime provinces and Prince Edward Island, but Ontario has had nothing of the kind as yet. The development at Guelph is expected to be of very great advantage, in that it will enable the farmer, on the one hand, to get a better price for his product and will expedite buying on the part of manufacturers on the other.

How It Will Operate.

As planned wool will be shipped to Guelph from all parts of the province between May 15 and June 10. It will be properly cared for and stored and after it has all been received experts will be sent by the Live Stock Branch of the Department of Agriculture to grade the wool for the market. When first delivered, the grower will be paid 50 per cent. of its estimated value and the balance when the wool

The Dog Menace.

In connection with previous articles in the POST on the supply of wool in Canada, W. J. Henderson of W. J. Henderson & Co., Montreal directs attention to a matter which has had a prejudicial effect on the sheep raising industry.

"Throughout the Eastern Townships of Quebec and the Eastern Counties of Ontario, up to 25 or 30 years ago," says Mr. Henderson, "practically every farm had a flock of from 15 to 100 head of sheep, whereas at the present time possibly not more than one farm in 20 keeps sheep at all. Talk to the old sheep farmers, and you will find that they were not especially dissatisfied with the prices they got for the wool, the pelts, or the mutton and lambs sold, but that every one of them made serious losses through sheep-running dogs, which infested and still infest the country.

"I have knowledge of a farmer working 300 acres of land near-by who is very anxious to have a large flock of sheep, but until some control is effected over dogs, he says that no matter what the price may be for wool, mutton, or lambs, it will be unprofitable for him to keep them. Two years ago, after many similar experiences during previous years, he had six sheep killed in one night, and that finished the sheep-raising business for him. Each province has passed laws with respect to dogs running at large, but no effective method of control has so far been found. There are few farms in this country that have not ground suitable for sheep pasture, and with a little encouragement—perhaps a heavy provincial license on dogs—the wool growing industry would be very quickly increased to several times its present proportions."

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NEWS OF SECURITIES—Market is Still Waiting

STEEL STOCKS

Freight Situation Continues to Cause Trouble—Shipbuilding Developments.

The freight situation continues to cause considerable anxiety to manufacturers, in spite of the extraordinary efforts that are being made to relieve the congestion. Not only is the shortage of fuel causing much inconvenience, but shipments of raw materials and partially manufactured goods are being held up, thereby restricting finished product output to a very material degree. There is no evidence as yet of any improvement in the steel situation, notwithstanding the strenuous efforts that are being made to break the blockade at Buffalo. There has been a heavier movement of coal during the week, but the shortage of fuel and pig iron still continues to be the dominant factor in the iron and steel trades. Mills in Canada depending upon the States for supplies of coke, and to some extent for pig iron, are still affected, and conditions have been aggravated owing to embargoes put in force by railroads there, restricting the movement of cars. With milder weather now imminent, more success in relieving the congestion may be expected. Steel mills, in addition to being sold up far ahead, are inclined to get behind further on deliveries, the curtailment in production and a developing demand being responsible for the latter.

Higher prices on steel—semi-finished and finished—continue to be recorded, it being a safe bet that very material advances all round will, in the near future, be registered. The large increase in ship construction has intensified the demand for steel plates, but owing to the sold-up condition of the mills, deliveries are very slow, while plates for early deliveries continue to bring extremely high prices. Makers of boiler tubes have practically their entire output sold up over the remainder of the year, and prices are very firm, with an upward tendency. Prices of iron and steel bars continue very firm, and a further advance is likely.

Perhaps the most outstanding development of the week is that relating to steel shipbuilding and marine engineering. Germany's submarine activity is being combated, as we know, both afloat and ashore, and in the latter respect more permanently effective than in the former. We allude to the shipbuilding and marine engineering propaganda now being given practical effect in Great Britain as regards new construction. Canada's co-operative effort in munitions making has been so well and fully appreciated by the responsible authorities in the Motherland, that still greater—because of a more permanent nature, opportunities are to be made available to her. In a word, shipbuilding and marine engineering in both their basic and accessory essentials are, we understand, in process of being developed in our midst by the Imperial authorities, and on a quite comprehensive scale. As a result, it may easily be assumed that the dreaded transition period from war-time to peace-time business enterprise will be wholly negligible. Shipbuilding and marine engineering combine an aggregation of manufacturing industries in their finished product unsurpassed by any other form of industrial endeavor, and what is thus true in a general sense, is even more emphatically so as regards iron, steel, and the manufactures thereof. The plans now being matured will include in their scope not only our at present established ship and marine engine builders, but the establishment of others of a like nature in combination or separate. In addition, those of our engineering plants in position to undertake the building of marine boilers, propelling and auxiliary machinery—the latter ship deck or 'tween decks, are embraced in the projected scheme referred to.

NOVA SCOTIA STEEL & COAL CO.

The estimate of profits earned by the Nova Scotia Steel & Coal Co., as given here last week, is believed to be correct. Earnings for the fiscal year ended on December 31, on the $7,500,000 common stock, will be about $40 per share, after interest, war taxes, and preferred dividends are paid. Col. Cantley is expected in Montreal shortly, when arrangements will probably be made for the preparation and publication of the forthcoming annual report. The stock has shown considerable activity this week, and has advanced nearly ten points over last week's close.

CANADA FOUNDRIES AND FORGINGS.

The stock of Canada Foundries & Forgings touched a new low level early this week, selling down to 176, notwithstanding the very favorable report presented at the recent annual meeting and the further report that quite extensive orders have since been signed up. It is, of course, pretty well understood that orders previously on hand were as great in volume as could conveniently be taken care of, hence the lack of stimulating effect from those just placed. Later in the week, 170 was bid, but no stock came out at that figure.

CANADIAN LOCOMOTIVE CO.

It is understood that the production output of the Canadian Locomotive Co. is being well and profitably maintained; as a result its financial position is believed to be unusually satisfactory. Munition contracts of a variety nature have been and are still being filled expeditiously, notwithstanding which, the building of locomotives has in no sense been halted, good progress being made meantime on a substantial order for the latter from the Russian Government. A dividend on the common stock is well within the range of possibility.

ALGOMA STEEL CO.

Announcement has been made that the Algoma Steel Co., subsidiary of the Lake Superior Corporation, would pay off $2,500,000 of its three-year notes on March 1, on which date they fall due.

QUEBEC STEEL FOUNDRIES.

A new steel plant is being erected at Three Rivers, Que., to be known as the Quebec Steel Foundries, Ltd. Messrs. Massicotte & Gagnon, of Ste. Anne de la Perade constitute the principal interests, their business address being Royal Street, Three Rivers, Que. From information meantime available, the product will consist of medium and light steel castings.

HULL IRON AND STEEL FOUNDRIES.

Good progress is being made on additions and extensions to the plant of the Hull Iron & Steel Foundries, Hull, Que. Two open-hearth furnaces, each of 20 tons capacity, are being installed; a 40-ft. by 90-ft. addition is being made to the shell department; a new office building is being erected at an estimated cost of $20,000; a 30-ton and a 10-ton crane are being added to the existing equipment, the former in the main foundry, and the latter in a 300-ft. by 40-ft. span runway into the yard. Three cutting-off lathes for 6-in., 8-in. and 9.2-in. shells constitute new equipment for machine shop.

DOMINION STEEL CORPORATION.

The statement issued by Mark Workman, president of the Dominion Steel Corporation, on his return from a visit to the plants at Sydney and Glace Bay, N.S., confirms the views already expressed by us relative to the steel and coal activities there. The coal output is still restricted, due to the lack of labor; as a consequence, market opportunities, not to speak of steel-making services, cannot be fully utilized. It is interesting, however, to note that such essentials of steel-making as limestone and ore will be readily available until the shipping season between Sydney and Wabana, Nfld., is again in full swing, and that due to a quite comprehensive installation of coke ovens, the inconveniences incidental to congested transportation facilities have been, if any, but little felt. The common stock has moved within narrow limits during the week, closing quotation being 61½ bid, and 61⅝ asked.

TEXTILES

Considerable Activity in Securities After Quiet Spell—Firm Situation Indicated.

Considerable activity was manifested in textile securities during the present week, and on the whole, a firm position was indicated, with some advances. In the entire list only one weakness was manifest. The Montreal strike of the ladies' garment workers, which has been extended to men's clothing, has not been in progress long enough yet to react upon the mills that supply these cutters-up, as the New York strike of 1916 did, nor are the difficulties over the transportation of coal or raw material (cotton) become so acute, if, indeed, they will, as to imperil the mills' output or influence the stock from the security-holders' standpoint.

Scarcity of labor, however, undoubtedly will be responsible in the near future for a curtailment of output, and consequently profits in many mills. The Trent Valley Woolen Mfg. Co., of Campbellford, is an illustration of one type of woolen mill along this line. For some time last year, even, the mill was engaged night and day on its regular output, and in addition was filling large war orders in flannels, linings, etc. Now it cannot keep up to the day capacity of its machinery, as a result of the scarcity, chiefly, of weavers. The result will be, a representative informed the FINANCIAL POST, that its output will not nearly equal that of 1916.

On the other hand, all reports from England indicate a greater scarcity than ever of woolen exports, and Canadian mills will be called on to help supply the deficiency to the limit of their ability to turn out the stuff. An indication of the confidence of the woolen mills in another year of prosperity comes from the Paton Mfg. Co., which, as will be seen below, repeated its bonus of 2½ per cent. for the past six months, making a 5 per cent. bonus for the year. Bonuses are not paid, as a rule, where a business expects to do much reefing.

The question of a supply of wool and yarn for the mills in Canada is still unsettled, and meanwhile the market on this side is going up steadily. Cotton, on the other hand, while a little firmer this week, still is suspended around 16.25, but for spot and futures.

CANADIAN CONVERTERS.

This stock was the most active of all this week, as indeed it has been since the beginning of the year and over 2,000 shares changed hands. The best that can be said of the fluctuations in the market is that it closed higher than last week, at 28¾, or a gain of ¾ point, having reached 29½ the day before. Its lowest, at end of last week, was 26. This compares with 30 two weeks ago and 32¾ the week before. The stock has shown a tendency to drop lately, in spite of good business on hand.

CANADIAN COTTONS, LIMITED.

Reports from the traveling representatives of Canadian Cottons, Limited, who started out with their new samples recently, are to the effect that the trade are buying rather cautiously, but as the company already has orders on hand sufficient to keep them busy for several months, they are not worrying over business. In fact, their chief worry the past few months has been how to get the goods turned out fast enough to keep their customers appeased. The congestion on the railways has affected Canadian Cottons in common with other mills, and in order to ensure their mills an adequate supply of raw material, they went into the New York market recently and purchased a quantity of cotton. This company has had cars of cotton on the road for months. A. O. Dawson, vice-president and general manager of the company, informs *The Financial Post* that the output of the company for the past year will be approximately half a million dollars less than the previous year. This is due to the fact that the company's sales were confined to the goods actually manufactured during the year, whereas in the pervious year they got rid of a lot of goods that had accumulated in the previous duller times. The Company's total output for the fiscal year ending March 31, 1916, was about $5,500,000; this year it will be about $5,000,000. The usual dividend will, of course, be paid. The common, which had a range of from 70 to 37 last year, was recently quoted at 52¼, but the stock has been very inactive. 79 was the asked price for the preferred a few days ago, but there has been no demand for it.

DOMINION TEXTILE.

This stock remains steady and a few shares were recorded this week at 80½ and 79½, while preferred sold at 103¼ a good average figure for the past month or two.

While business in the "piece goods" department of this company for Fall is certain to show a slackening in the past rush of orders, the yarn department promises to hold up its end even better than in 1916. A representative informed *Financial Post* on Thursday that they had orders to keep them going for six months or more, and that they were struggling along to fill these orders one month behind. New machinery is being installed for winding the yarn in the Montmorency mill and it is expected that in a few weeks this will be in shape and increase the output of cotton yarn. as the United States spinning plants also are away behind their yarn output Dominion Textile is assured of business for the rest of the year.

MONTREAL COTTONS, LIMITED.

The annual meeting of the Montreal Cottons, Limited, will be held on Wednesday next. The company has had a very prosperous year, and will have a statement to present to the shareholders, that should give them considerable satisfaction. The usual dividends of 7 per cent. on the preferred and 4 per cent. on the common will be preferred, and *The Financial Post* understands that a very substantial sum will be carried forward. The company's output will be larger than the previous year, and arrangements have been made for still greater expansion next year. The company have decided to restrict the number of their lines, and will be able to increase their production in those lines. They have not yet begun to solicit fall business. They have all the orders, that they can take care of for some time.

A small block of the common sold at 54 this week, 3 points above the week end. The high last year was 63, and the low 50.

MONARCH KNITTING CO.

The satisfactory statement of the Monarch Knitting Co., as published last week, started a movement in the stock and more shares were sold than for the rest of the present year. These held strong at 40, with a few sales of preferred at 80.

PENMANS.

That this company with a big demand that will keep them going on into next fall, even on a restricted basis of accepting orders, is in a strong position with the public is evidenced by the advance in preferred to 85, which has held now for two weeks. The highest figure reached in January was 83, with 81½ and 82 the average. Common sold at 70, the same as the last quotation. Uncertainty still surrounds the wool and yarn supply, however.

PATON MANUFACTURING CO.

The directors of the Paton Manufacturing Company have just declared a dividend of four per cent. and a bonus of two and a half per cent. for the six months ending January 31, the close of the company's fiscal year. A dividend and bonus of the same amount was declared in March last, making thirteen per cent. for the year. The past year was the best in the history of the company. A distribution of ten per cent. was made in 1915, made up of a dividend of seven per cent. and a bonus of three per cent. Dividends paid by the company in recent years are as follows:

1907, 6 per cent.; 1908, 4½ per cent.; 1909, 4½ per cent.; 1910, 6 per cent.; 1911, 1½ per cent.; 1912 to 1914, 6 per cent. per annum; 1915, 7 per cent. and 3 per cent. bonus.

The output of the company for the year ending 1915 yas $987,336. The net profits were $156,952. This year's output will show an increase.

The annual meeting of the company will be held at Montreal on Wednesday next, February 28.

The wool question is a serious problem to all woolen manufacturing concerns just now. The price is away up, and the supply is limited. The policy of the British authorities in commandeering all the wool has made conditions rather difficult for the Canadian mills. In distributing this wool the Government announces that the manufacturer who wants the wool for making khaki cloth for the army will be given the preference. Next in order comes the manufacturer who wants it for export. The domestic demand is the last to be satisfied. The last quotation for the stock was 102½, but there has been no trading in it this year. The stock is very closely held.

MILLING

Market for Securities Continues Dull—Firmer Tendency in Wheat Situation.

There has been a firming tendency in the wheat and flour markets this week, but milling securities have been dull. The impression that has gone abroad that the Allied Governments will soon be in the market again for large orders of wheat has had a decidedly stimulating effect. This was particularly noticeable on the Chicago Wheat Market, where all grain houses with seaboard connections were buying heavily, with the result that there was a considerable stiffening in price. The feeling, too, that the shipping situation was becoming somewhat relieved, encouraged this optimistic spirit. Another item that tended to increase the activity of the market was the report that the car shortage had been considerably relieved and that many empty cars were moving westward to help cope with the situation there.

These conditions taken together, as has been stated, put quite an encouraging aspect on the wheat situation, that was promptly reflected in the trading. Wheat that closed on the 14th, advanced steadily from that date till on Tuesday of this week it was quoted at 175¼. From that time there was a sagging tendency noticed, the market closing at 173⅞.

The strong feeling on the wheat market has been reflected in the milling interests of Canada. Flour has remained at a steady figure during the week, with a tendency toward a still stronger feeling. It is not believed, however, that there will be any increase in flour prices, unless wheat should show a still more pronounced upward trend.

The difficult situation that has been facing eastern millers owing to the very severe car shortage, has been somewhat relieved, and there is a somewhat more optimistic feeling in the trade generally. It has also been possible of recent date to move more food stuffs eastward. Though not actually imposed, there has been something nearly approaching an embargo on the shipment of such products for some weeks past. Shippers are now, however, permitted to ship feed stock in proportion of 30 pounds per hundred pounds of flour, thus alleviating the trying situation to a considerable extent.

The better transportation facilities have had an encouraging effect on the milling industry, and the week has proved a satisfactory one for the mills.

It is anticipated that this year will see an unusually early opening of navigation, thus relieving the railway situation. This belief has given an added impetus to milling operations.

LAKE OF THE WOODS.

Trading in this stock has been very light during the past week. There have been to date, no transactions noted in the preferred. Some few sales were noted in the common stock, at the end of last week and the beginning of this. These did not show any variation from preceeding sales of recent dates all the transactions being made at the 126 figure.

MAPLE LEAF MILLING.

The common stock of this company was in a dormant stock during the past week. On the other hand the preferred showed some activity, quite a number of sales being registered. The bulk of these sales were made at 95, a slightly stronger feeling was evinced on Wednesday when the stock advanced half a point on some sales, but it reverted to the original figure before the end of the trading.

OGILVIE MILLING.

In conformity with other milling stocks there was very little activity in this stock during the week. The latest sale noted showed a decline of one point over the previous sale. This, however, did not seem to indicate any tendency to weakness, but was rather due to the general lassitude that of recent date has characterized the trade in all milling stocks. There was a small sale noted in the preferred stock at the prevailing 111 figure.

The lack of tonnage is proving a very serious factor, and has almost brought the export flour business to a standstill. Domestic business is also reported very quiet. There is a keen demand for feed, but so many embargoes have been put in force that orders are of little use, as they cannot be delivered. There is a considerable difference of opinion as to the effect of the new British milling regulations, but the lack of space and the discriminatory freight rate in favor of wheat has to a great extent killed the export trade for the present.

SHREDDED WHEAT.

There was no activity during the week in the common stock. The first sale of the preferred stock noted this year was noted on Monday of this week when 19 shares of this stock sold for 95.

Speaking editorially of the elevation of Fred. Mason to the presidency of the Shredded Wheat Company, the Niagara Falls *Gazette* says:

"The elevation of Fred. Mason to the presidency of this great concern is a most pleasing and deserved tribute to his ability and worth. Under his direction the company has made wonderful strides and there is none who is not ready to give all credit to the business genius and executive ability of Mr. Mason. He possesses the rare and valuable faculty of combining with business ability, a happy disposition that quickly ingratiates him with those with whom he comes in contact.

"Mr. Mason is entitled to the distinction of being classed in the very vanguard of our foremost citizens. He always finds opportunity to aid a worthy cause, be it of a public or private nature, and when he puts his shoulder to the wheel it moves. Instances of his able and successful work in this respect might be cited almost without number. Sincerely, we are very glad to learn of Mr. Mason's promotion and to have this opportunity of publicly attesting the worth of a most worthy fellow-citizen."

PULP AND PAPER

Some Improvement in the Market for Stocks of This Group During the Week, the Result of Two Favorable Factors.

Two factors have been at work during the week, which have exerted a favorable influence on the pulp and paper stocks. One was the appearance of the Riordon statement; the other the announcement that the newsprint controversy, so far as Canada is concerned, had practically been settled. The former gave the public an indication of the possibilities of the industry, even before increased prices had become effective, while the latter put an end to the uncertainty which has had such an unfavorable influence on the market. Manufacturers will secure an all-round advance in the price of their product, even though that advance is not as great as it might in justice have been. As a result of these influences, stocks generally have scored advances during the week, these being set forth in the following comparative table:—

	Close Feb. 15	Close Feb. 22	Change
Laurentide	184	184	...
Riordon	114	117½	+3½
Spanish, com.	15½	16½	+1
Do., pref.	52½	53	+ ½
Wayagamack	82	84½	+2½
Brompton	54½	53	—1½
N. A. Pulp	8	7⅝	— ⅜
Net change, 7 stocks			+5⅝

What promises to develop into an interesting situation is the attitude of the Canadian manufactures of newsprint towards the United States authorities on the question of the supply of Canadian paper consumed in the United States. The American manufacturers have consented, in consideration of the dropping of proceedings by the Department of Justice at Washington, to accept a finding of the Federal Trade Commission as to the price to be charged for newsprint in the United States. If such a price is set, it will be a nice question whether it can be made applicable to the imported product. Some Canadian manufacturers are inclined to think it cannot and they believe that they can continue to sell their product at a price, which will be determined solely by the law of supply and demand. It will be interesting to see how this situation will be handled.

LAURENTIDE.

There has been absolutely no trading in Laurentide during the past week. The stock is offered around 186, with bids ranging from 180 and 182.

RIORDON.

The appearance of the annual report of the Riordon Company, with its record of greatly enlarged profits, had a favorable effect on the market for this security and also acted as a tonic to the general market for pulp and paper stocks. From 112 on Monday, the stock advanced seven points to 119 on Thursday, closing at 117½. Attention is given to the report elsewhere in this issue.

SPANISH RIVER.

Occasional transactions occur in both the common and preferred shares of the Spanish River Company, but movement is slight. The common was a little stronger this week, advancing to 16½. The preferred, at 53, was also slightly better than a week ago.

WAYAGAMACK.

Doubtless in sympathy with Riordon, Wayagamack regained some of its lost ground this week and from a low of 82 last week, advanced to 85½ on Wednesday and to 84½ on Thursday.

BROMPTON.

Trading in the shares of the Brompton Pulp & Paper Co. was as lethargic as a week ago, and single transactions were all that were put through. The stock was a little weaker, selling off to 53 on Wednesday.

F. N. BURT CO.

Probably as a result of the highly optimistic spirit developed at this week's annual meeting of the company, both the common and preferred shares of the F. N. Burt Co. were moved up a point or two during the week. The common, which had sold last week at 78, reached 81½ on Thursday, while the preferred climbed from 90 to 92¼.

PORT ARTHUR PULP.

It is stated that work on the new Port Arthur Pulp & Paper Co.'s plant at Port Arthur is being held up, owing to the difficulty being experienced in securing a timber limit. This company, in which I. H. Weldon and S. F. Duncan, of the Provincial Paper Mills, are interested, proposed to erect a 50-ton sulphite pulp mill and later a book paper mill, the whole scheme involving an investment of $2,000,000.

POWER RIVER CO.

The Powell River Company has now an output of 60,000 tons of newsprint annually, of which one-third is being shipped to Australia, 30% to the United States and the balance sold in British Columbia and Alberta. The *Wall Street Journal* publishes an interview with an officer of the company, in which the latter states that "We have continued our former prices pretty generally, mostly indeed under five-year contracts in both countries of North America. We sell to Australia for 2.7 cents, f.o.b. at the mill, but the freight rate to Australia is about $30 a ton. We could charge more, as the publishers there are desperately in need of our product."

INTERNATIONAL PAPER.

A despatch to the *Wall Street Journal* from Boston this week, says that, "The proposition to retire $7,000,000 International Paper bonds during 1917 out of current resources does not sound at all far-fetched when the proportions of working capital as of December 31 last are considered. The annual statement soon to be issued will show net quick assets of $15,000,000 in round figures. The actual amount will be slightly in excess of $15,000,000.

"This is without exception the biggest balance of quick assets that the corporation has ever carried. It represents a 50% increase over the net working capital of $10,137,011 on hand December 31, 1915, and is three times the working capital the company had when President Dodge came to the corporation.

"Further than that, it is a bigger balance of net quick than the corporation actually needs. It amounts to better than 60% of a normal year's gross business. Of course 1917 profits will put the $4,500,000 earned in 1916 in the shade, and will also further increase this balance of working capital.

"There is hardly a question but that International Paper can retire the $7,000,000 bonds and still have a working capital at the close of this year that will be very close to the December 31 last figures."

TRANSPORTATION

Some Improvement in Freight Situation—Earnings Well Maintained.

It is reported that there has been some improvement in the transportation situation as regards the movement of coal, but the tie-up is still having a very serious effect upon business conditions generally. There is likely to be more or less difficulty for some weeks, but the opening of transportation on the lakes should relieve the internal situation at least, although there may still be some congestion so far as export business is concerned. The congestion has no doubt had an unfavorable effect upon earnings, but the returns for the past week do not indicate this to the same extent as for the previous period.

Week ending Feb. 14:

	1917.	1916.	Change.
Can. Pac.	$2,180,000	$1,912,000	+$268,000
Can. North...	602,000	453,100	+ 148,900
Grand Trunk.	828,671	957,195	— 128,524
	$3,610,671	$3,322,295	+$288,376

It will be noted that the Grand Trunk has been particularly affected, and this is no doubt due to the fact that it is the important carrier in the section of the country which has been most concerned.

The anomaly of the present situation as regards the market price of railway securities and earnings is best illustrated in the American market, where a large group of the stocks can be followed. After more than eighteen months of unprecedented earnings, shares have shrunk to prices ordinarily witnessed only in time of financial stress. Some of the standard American railroad stocks are selling near, and others under, the low points of 1914, when international credit was practically paralyzed. Some of these shares can now be had at prices to yield considerably over 6 per cent. on the investment. Several theories have been advanced to account for the renewed pressure on the rails recently. One of these was that it was believed that liquidation was coming from Teutonic sources because of fear of war between the United States and Germany, and this was lent plausibility by the strength of exchange rates on Berlin. Another was that the British Government was disposing of mobilized American railway issues. However, despite the fact that there appears to be a wide margin between present market prices and earning capacity, it may be pointed out that the high water mark in earnings has probably been, reached, at least for the time being. During the past few months net income has shown a tendency to lag in consequence of the material advance in operating costs. From now on net earnings will do well to hold their own with 1916 records in the United States.

CANADIAN NORTHERN.

The Canadian Northern Railway system records gross earnings for the second week in February of $602,000 as compared with $453,100 for the corresponding period last year, an increase of $148,900 or 32.9 per cent. This increase compares favorably with the previous week when the increase was 15.3 per cent. From July 1, to date the earnings were $25,559,700 as against $20,320,900 for the corresponding period in 1916 an increase of $5,238,000. The earnings for each week since the beginning of the year compare as follows:

	1917	1916	Increase	%
Jan. 7....$	598,700	$ 541,100	$ 57,600	10.7
Jan. 14....	646,100	469,300	176,800	37.8
Jan. 21....	658,200	504,000	154,200	30.6
Jan. 31....	929,600	572,400	357,200	62.4
	$2,832,600	$2,086,800	$745,800	37.2
Feb. 7....$	493,600	$ 429,400	$ 64,200	15.3
Feb. 14 ..	602,000	453,100	148,900	32.9

The efforts of the company to make arrangements at Hamilton in connection with the proposed new line to the American border and the attitude of the Hydro-Electric supporters in opposing it are attracting a lot of attention. Owing to the absence of Canadian Northern officials from the city, THE POST has not been able to get a statement as to the company's position in the matter.

The *Financial News*, of London, England, which always devoted a good deal of attention to Canadian railways, makes an interesting comment on the showing made by the Canadian Northern Railway, and the part which the system has played in supplying the requirements of the mother country. The Financial News in reviewing the report says in part:

"During the past year the Canadian Northern Railway System handled no less than 132,000,000 bushels of grain, gathered mainly from country opened up by the railway and tilled for the first time within the past fifteen years. Even now the shortage of breadstuffs is being felt to a considerable extent, but it is quite obvious that the scarcity would have been very much greater but for the enterprise of those who undertake the construction of this great undertaking, which now extends for a length of about 9,000 miles through a new and only a few years ago an unsettled country, and who have expended untiring energy and great sums of money in attracting settlers. The pioneers of the system deserve well of the whole Empire and of the people of the great Dominion of Canada, to whom their life's work has brought wealth and the means of supplying the Old Country with men, food and money with which to conquer its brutal enemies.

Despatches from the West state that good progress is being made on the construction of the Canadian Northern car building shops at Port Mann. Two carloads of machinery have arrived, and further shipments are on the way from the East. Installation of the plant will be carried on as rapidly as possible, and it is hoped to have it at work turning out flat cars by the beginning of March.

CANADIAN PACIFIC.

Gross earnings of the Canadian Pacific Railway for the week ending February 14, showed a gain as compared with the figures for the corresponding period in 1916, of $268,000 or 14.0 per cent., the figures being $2,180,000 against $1,912,000. This increase compares with a gain of 7 per cent. in the previous week. Following are comparative figures since the beginning of the year:

	1917	1916	Increase	%
Jan. 7..	$2,238,000	$1,874,000	$ 364,000	19.4
Jan. 14..	2,417,000	1,863,000	554,000	29.8
Jan. 21..	2,215,000	1,910,000	305,000	15.9
Jan. 31..	3,071,000	2,733,000	338,000	12.9
	$9,941,000	$8,380,000	$1,561,000	18.8
Feb. 7..	$1,890,000	$1,876,000	$ 14,000	.7
Feb. 14..	2,180,000	1,912,000	268,000	14.0

GRAND TRUNK.

Grand Trunk Railway gross earnings for the week ending February 14, amounted to $828,671 compared with $957,195 for the corresponding period last year, a decrease of $128,524 or 13.4 per cent. This is the largest decrease yet shown for the year, and reflects the congestion of traffic caused by the bad weather conditions. The earnings for the year compared with the figures for the corresponding period last year follow:

	1917	1916	Increase	%
Jan. 7..	$1,012,906	$ 880,702	$132,204	15.02
Jan. 14..	1,072,915	966,301	106,614	11.03
Jan. 21..	1,026,907	980,914	45,993	4.7
Jan. 31..	1,564,660	1,459,499	105,161	7.2
	$4,677,388	$4,287,416	$389,972	9.02
Feb. 7..	$ 928,462	$ 937,927	*$ 9,475	1.0
Feb. 14..	828,671	957,195	128,524	13.4

*Decrease.

ELECTRIC RAILWAY

Higher Cost of Labor and Materials Likely to Have Their Effect On Net Profits.

Securities in the Electric Railways group have shown little tendency to move out of the general rut of dullness which the market has occupied for several weeks. However, such is the wide field represented by these stocks and so varied are the conditions applying to the operation that it is difficult to describe them in a group. So far as the Canadian and the majority of the American systems are concerned, it would appear that, while 1916 was a very good year, the outlook for 1917 is not so bright. Traffic returns are generally satisfactory, but the increasing cost of labor and materials is reflected in operating expenses, while at the same time some of the systems are beginning to feel the need for repairs and replacements. At the same time these stocks are being regarded with some favor in relation to the after-war period, for it is generally accepted that they should be little affected, while in many cases peace should bring improvement.

DULUTH-SUPERIOR.

Gross earnings of the Duluth-Superior Traction Company for the week ending February 14, amounted to $29,277 as against $25,232 for the corresponding period in 1916, an increase of $4,044 or 16 per cent. For the year to date the earnings were $185,786, compared with $154,679, an increase of $31,106 or 20.1 per cent.

After a measure of reaction, which evidently came with realizing following the annual statement, Duluth-Superior this week displayed a little more life than for the previous fortnight. Starting at 49 the price moved up to 51, which is one point above the best of the movement of the latter part of January.

TRINIDAD ELECTRIC.

The gross earnings for December last of the Trinidad Electric Company amounted to $25,982 as compared with $24,536 for December in 1915, an increase of $1,446. The net earnings amounted to $12,542, as against $9,445, an increase of $3,087.

BARCELONA.

The market for Barcelona has shown but little activity lately and the whole situation concerning the company remains uncertain in view of the conditions in Europe. Sales during the week were few and at 11¾ to 11⅝, indicating no change from last week.

BRAZILIAN TRACTION.

There has been some desultory trading in Brazilian, but generally speaking, it has shared in the general dullness of the market. Prices have shown some variation between 43 and 44, but on the whole there has been no change as compared with last week. The exchange situation continues as the dominant factor, with generally satisfactory conditions prevailing so far as operation is concerned.

DETROIT UNITED.

There has been a decline in Detroit United since last issue. From Friday last to Saturday there was a drop of about five points, and of this only about one point has since been recovered.

TORONTO RAILWAY.

Toronto Railway has pretty well maintained the strength which developed coincident with the annual meeting and the explanation of officials regarding the company's position. Late sales at 85-85½ are about on a par with transactions last week. Shareholders are no doubt following with interest the hydro developments and the Beck proposals for the expropriation of private development interests.

TWIN CITY.

Gross earnings of the Twin City Company for the first week in February amounted to $203,096, as compared with $200,942, an increase of $2,153, or 1.07 per cent. The report states that the earnings for Sunday, February 4, were much less than for the corresponding Sunday in 1916, due to the second bad snow storm of the year, accompanied by a high wind and low temperature. For the year to date the earnings were $1,091,003, compared with $1,022,019, an increase of $68,984, or 6.75 per cent.

It is reported that the company is considering the complete adoption of the pay-as-you-enter car system which would mean extensive changes in the equipment. However, it would not appear likely that such change would be made with the prices of equipment at their present high level.

Trading in the shares has been small in this country recently and the price has been unchanged at 94.

CAPE BRETON.

During December the gross earnings of the Cape Breton Electric Company amounted to $40,284 as compared with $36,267 for the same month in 1915, an increase of $4,016. Operating expenses and taxes were $22,346 against $19,625, an increase of $2,720. Net earnings were $17,938 as against $16,642, an increase of $1,296. Following are comparative figures for the month:

	Dec 1916.	Dec. 1915.	Increase.
Gross earnings	$40,284	$36,267	$4,016
Oper ex. and taxes..	22,346	19,625	2,720
Net earn.	$17,938	$16,642	$1,296
Int. charges	5,271	5,213	57
Balance	$12,667	$11,428	$1,238
Bd. sink & Imp. fds.	1,280	1,321	41
Balance	$11,386	$10,106	$1,280

QUEBEC RAILWAY.

Sir Rodolphe Forget, president of the Quebec Light, Heat & Power Co., is in Quebec this week on one of his regular trips of inspection of the company's properties. THE FINANCIAL POST understands that the earnings of the company are showing a gratifying increase over last year. The prosperity of Quebec is reflected in the increased traffic of the company. The stock which closed last week at 24 is a little stronger this week, selling up to 25¾. No great activity in the stock is, however, expected before April next, when legislation will be passed straightening out the tangle in connection with the taking over of the Quebec and Saguenay and the Lotbiniere and Jacques Cartier roads by the Government.

ST. JOHN RAILWAY.

The shareholders of the St. John Railway Company, by a majority vote have ratified the decision of the directors to sell the properties and rights of the company to the St. John Investment Company, Limited. The price is $1,300,00 and an additional $10 a share for each share transferred, making the price $140 a share net to the shareholders. The New Brunswick Investment Company is a holding company organized for the purpose of making the purchase, and it will in turn make a transfer to the New Brunswick Power Company. The latter company controls water powers at Magaguadavic and Lepreaux, and it is their intention to operate by hydro-electric power instead of generating electricity as at present. The purchasers also contemplate considerable extension of the lines and the introduction of more modern methods in the operation of the company.

WINNIPEG ELECTRIC.

In connection with the annual statement of the Winnipeg Electric Company, which was delayed in its presentation to the shareholders, it is pointed out that while the monthly returns for 1916 showed small change from 1915, the complete report may considerably alter the situation in the revelation of subsidiary operations and economies in management. Net earnings over interest charges are mentioned as being a shade over 5 per cent. It is not expected

Continued on page 4.

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UNION BANK OF CANADA

DIVIDEND No. 120

NOTICE is hereby given that a Dividend at the rate of eight per cent. per annum, upon the Paid-up Capital Stock of the UNION BANK OF CANADA, has been declared for the current quarter, and that the same will be payable at its Banking House in the City of Winnipeg, and also at its branches, on and after Thursday, the 1st day of March, 1917, to Shareholders of record at the close of business on the 14th day of February next.

The Transfer Books will be closed from the 15th to the 28th day of February, 1917, both days inclusive.

By Order of the Board,
G. H. BALFOUR,
General Manager.

Winnipeg, January 18, 1917.

THE MOLSONS BANK

INCORPORATED 1855

Paid-Up Capital - - $4,000,000
Reserve Fund - - - 4,800,000

Head Office, Montreal

Branches in 96 of the leading cities and towns in Canada. Agents and correspondents in leading cities of the United States and in foreign countries throughout the world.

Edward C. Pratt, General Manager

NEWS OF SECURITIES

Continued from page 3.

that dividends will be resumed until there is a material improvement in the situation.

LONDON ELECTRIC.

The annual statement of the London Railway is reviewed in another column. The year was a satisfactory one and showed improvement in earnings, but the report indicates that the company is facing heavy charges for rebuilding of lines to accord with street improvements and the directors point out that the difficulty is one which will probably be more or less serious in 1917, coupled with increased cost of operation and materials, etc.

PORTO RICO.

The January statement of the Porto Railways Company shows gross earnings of $70,395, which compared with $67,734 for the same month last year showed an increase of $2,660 or 3.93 per cent. Net earnings were $31,827 as against $34,324, a decrease of $2,497 or 7.28 per cent.

There has been no trading in Porto Rico for some weeks. Following are some features of the annual statement which was briefly summarized in last issue:

In respect to expenditure on capital account there was owing at the beginning of the year $49,103, and charged during the year $22,484, making a total of $71,588, which has been provided out of earnings. First mortgage bonds of the company to the amount of $42,000 were purchased and delivered for cancellation in accordance with the sinking found terms of the trust deed. The total amount of bonds so far redeemed is $314,000. The following comparisons are interesting inasmuch as they reflect the rapid progress in the year:

	1916	1915	1914
Gross	$829,056	$747,180	$772,905
Op. exp.	412,431	369,819	404,071
Net earn.	$416,626	$377,361	$368,834
Other rev. . .	5,346	3,454	8,145
Net income . .	$421,972	$380,815	$376,979

The percentage of expenses to earnings works out at 49.74 in the year, as compared with 49.49 in 1915, and 52.29 in 1914. A good increase is shown in freight traffic, 194,094 tons being handled in the year, as compared with 106,510 tons in 1915 and 101,524 tons in 1914. Passengers carried decreased from 6,109,000 in 1915 to 5,203,192 in 1916. Passenger earnings per car mile figured out at $2,125 in the year under survey, against $2,481 in 1915 and $2,680 in 1914.

At the end of the year Sir Max Aitken, now Lord Beaverbrooke, tendered his resignation as a member of the board and the vacancy has been filled by the appointment of W. H. Chase, of Wolfville, N.S.

No one appears to be anxious to accumulate any Porto Rico stock these days, notwithstanding the fact that the company's earnings for the past year show a gain over the previous year. There has been no trading in the stock for some time. From 35 offered during the latter part of January the bid price has dropped to 30, offered a few days ago. No stock was forthcoming at that figure. The election of W. H. Chase, of Wolfville, adds to the directorate a financier and business man of ripe judgment who is familiar with conditions in the West Indies.

LIGHT AND POWERS

Developments in Relation to the Ontario Hydro Situation Being Followed With Interest.

Holders of public utility securities are no doubt following with interest the developments in the Hydro power situation in Ontario. The fight at Hamilton between the Hydro supporters and the C. N. R. involves an important question of franchise rights, while the latest proposals of Mr. Beck with regard to the expropriation of private power interests also open a field for speculation as to how far the Government may go in interfering with private interests. In view of this situation, interest attaches to the observation of the directors of the Shawinigan Water and Power Company to the effect that the relations of that company with the different public bodies with which it has to deal have been maintained on a very satisfactory basis. The ability and efficiency indicated by the programme which this company has so successfully carried out deserves consideration in view of the spreading agitation in Ontario for public ownership. Shawinigan has not only developed power, but it has developed itself, through subsidiaries, into one of the largest consumers of electrical energy on the continent. Light and Power securities have shared in the general dullness of the market this week, but the undertone has been firm and steady.

SOUTHERN CANADA POWER.

The Southern Canada Power Company, which recently acquired the Brome Lake Electric Light Co., and the Richmond Electric Light Co., has made an offer for the electric light plant at Granby, which is owned by the town.

The gross earnings of the Southern Canada Power Company for the quarter ending December 31, 1916, were $88,611, as compared with $68,218 for the same period in 1915, an increase of $20,493. The net earnings for the same period were $45,191, as compared with $36,093 in the previous year, an increase of $9,098.

DOMINION POWER.

At the annual meeting of the Dominion Power & Transmission Company at Hamilton, this week, reports were presented to show that the gross business during 1916 equalled that of 1913, in which the best preceding record was made, while the outlook for 1917 is that there will be still further improvement. The net results of 1916 were not proportionately so good, owing to the increased price of materials and commodities. The restrictions under which the subsidiary companies operate does not permit of an advance in rates to customers corresponding with the increased cost of operation. It was further stated in the report that up to date 126 employees of the corporation had enlisted.

The financial statement showed that the gross earnings during the year aggregated the sum of $2,693,211.93, which left a surplus of $710,348.29 after all expenditures had been met. The profit and loss account shows a balance of $536,060.67, after placing $250,000 additional to the credit of the regular reserve account. The reserve for maintenance and renewal has been increased by the sum of $111,079.02.

The following were elected to the board of directors: Sir John Gibson, K.C.M.G., K.C.; Lieut.-Col. J. R. Moodie, and James Dixon, W. C. Hawkins, Lloyd Harris, Charles E. Neill, Cyrus A. Birge, William E. Phin, Robert Hobson and John Dickenson. Mr. Dickenson takes the place of the late J. W. Sutherland.

OTTAWA POWER.

THE FINANCIAL POST hears from authoritative sources that the shareholders of the Ottawa Light & Power Company will hear a very satisfactory statement at the annual meeting which will be held at Ottawa on Monday next. Notwithstanding the reduction which was made in the rates, it is understood that the earnings will exceed those of last year, when the company earned 7 per cent. on the common, and paid 6 per cent. The new gas plant is now in operation, and is giving very satisfactory results. It is reported that the company is now contemplating the development of one or more additional water powers, in order to take care of the increasing demand for power in the Ottawa district.

PUBLIC SERVICE CORPORATION.

No definite information as to the earnings of the Public Service Corporation are available, but THE FINANCIAL POST understands that these are regarded by the officials of the company as satisfactory. The business has grown very rapidly, due to the expansion of the city; and while no stock dividends have been paid, it is said that this is not because they have not been earned. The profits are going back into plant extensions, and should be reflected in future results.

LAURENTIDE POWER.

No figures were given out at the annual meeting of the Laurentide Power Company held at Montreal on Tuesday, but THE FINANCIAL POST understands that the net earnings for the six months of operation were $154,000. This would be at the rate of approximately 3 per cent. a year on the common stock. During the coming year the company will supply the Shawinigan Company with an increased amount of power, and this should result in the earnings of the company being considerably increased. President J. E. Aldred was very optimistic as to the prospects for the coming year and had no doubt that the company would find a ready market for all the power that it had to sell.

The officers and directors were re-elected as follows: J. E. Aldred, president; F. A. Sabbaton, vice-president; directors: Chas. R. Hosmer, Edwin Hanson, Howard Murray, J. H. A. Acer, Montreal; Geo. Chahoon, Jr., Grand Mere; Julien C. Smith, New York; A. A. Tilney, New York; W. F. Robinson, secretary-treasurer.

CIVIC INVESTMENT.

While this has been another inert week on the Montreal Stock Exchange, Civic Investment has been about as active as any other stock. THE FINANCIAL POST understands that there has been a good deal of investment buying of this stock. The estimates of earnings of the company are understood to be well within the mark. In the future, the fiscal year of all the companies included in the consolidation, will end on April 30, but it has not yet been decided just what procedure will be followed this year, as regards the reports. In any event the question is merely a bookkeeping one. The stock has advanced from 81 to 82 this week. The problems of the gas department have been rather difficult this winter, owing

TORONTO POWER.

In connection with the situation between the City of Toronto and the Toronto Power Company as regards the right to erect poles on the streets, a still further interesting development has been the intimation that the company may take the course of employing its agreement with the Bell Telephone Company to employ the overhead equipment of that company for its distribution service in the event of successful steps being taken to interfere with the present charters. Officials of the company point out that such an arrangement would not only be practicable, but that it would be reducing the number of poles on the streets. There would appear to be no reason why some scheme could not be worked out to extend this movement and carry the wires of all companies on the same poles.

CONSUMERS' GAS.

There has been some improvement in the transportation situation which relieves Consumers' Gas to some extent, but such is the amount of coal required that the air is not yet cleared. Late sales of the stock at 164½ indicated no change.

LAURENTIDE.

At the annual meeting of the Laurentide Power Company, which is now operated as a Shawinigan project, the president, J. E. Aldred, reported that the company had started as an operating concern in July, 1916, and he reported what he regarded as a satisfactory statement for six months. The outlook for the year 1917 was altogether satisfactory, there being a ready market available for the company's full output. The directors and officers were re-elected.

SHAWINIGAN.

Shareholders in Shawinigan and others interested in the operation of power development companies will find in the annual report of the company a very interesting review of the situation of the year which has been a remarkably satisfactory one as regards profits. The company is finding a rapidly developing market for its product, and in this its own policy of establishing subsidiary industrial concerns is proving a very important factor. A review of the report will be found in another column. Late sales of the stock at 120 showed a good tone compared with 125 at the opening of the week.

MINING STOCKS

Market Dull and Uninteresting With the General Tendency of Prices Downward, Except for a Few Exceptional Issues.

There has been little of interest to distinguish the market for mining shares this week. The public has dropped out of the buying and trading has become largely professional in character. Prices have shown a tendency to react slightly, though there is no pronounced weakness to note. On the other hand a few issues, for special reasons, have moved up a point or two.

The price of bar silver has declined to 77⅝ cents an ounce, after having reached 79 cents last week. The backward movement has been very gradual and may be regarded as merely preliminary to another rise. Referring to the recent rise Samuel Montagu & Co. say "The Joint Stock Banks are now finding stocks of silver coin somewhat redundant. This seems to indicate that demands for the Home Country are likely to be less in evidence, but the Home demand has for some time past been very insignificant in comparison with that for India and our Allies. The strength of the China exchange is, of course, against sales for that quarter. The stock in London last Friday was found only to be about 4,000,000 fine ounces, a reduction of 2,400,000 in one month."

A serious situation is reported to be developing in the Northern mining camps in connection with the labor supply. That the supply has been growing less and less adequate to meet the demands of increased production is becoming generally known. Machine men are scarce and especially machine helpers. At one mine where a force of about seventy men are employed at underground work and where ten machines are ordinarily kept running full time throughout the three eight-hour shifts, making in all thirty shifts a day or approximately 900 shifts a month, the time lost in January totalled 112 shifts, or 12½ per cent. of the total working time. This condition is very general all through the mining camps and strong representations are being made to the government to afford some relief.

HARGRAVES.

Wednesday's trading in Hargraves, when 32,200 shares changed hands, was of extensive proportions, but did not appear to be based on any specific news. The stock had been selling around 19 early in the week, but in Wednesday's market the price was run up to 22, with a close at 21. On Thursday, selling was again restricted, and the price declined to 20½.

KIRKLAND LAKE.

One of the most active gold stocks of the week was Kirkland Lake, which was quoted at 46-45 last Saturday, and which sold up to 54 on Thursday. The special reason for interest in this stock was the announcement that Beaver Consolidated intended to exercise its option on the property, and would make a large cash payment in furtherance of the bargain this week. There is also to be noted a good deal of interest in the Kirkland Lake district itself, which many believe will become a very rich producer of gold. The transmission line of the Northern Ontario Power Co. into the district is almost finished.

McINTYRE.

McIntyre opened the week around $1.90, but gradually eased off until on Thursday it was selling as low as $1.85. Trading, however, was light. During the week the mill was closed down for 48 hours to enable the management to make certain alterations and changes in machinery. The mill is now up to a capacity of 550 tons daily, and within a very short time should be running at 600 tons a day. It is understood that mill heads are being maintained around $10.50 to $11 per ton. The long drift at the 1,000-foot level is now in the vicinity of the Jupiter line, and is said to be still in ore.

DOME EXTENSION.

Trading in Dome Extension runs along from day to day in fairly large volume, the tendency for the week having been somewhat downward. On Friday of last week the price was fluctuating between 30 and 31. On Thursday of this week 29 was the level at which most of the business was done. The prospect of an absorption of the property by Dome Mines does not seem to be exercising much influence on the market for this stock. In this connecton, Homer L. Gibson & Co. state in their latest stock letter: "No information has been given out with reference to the development being carried out on Dome Extension ground, but as this option has still eight months to run, ample time to prove the value of these holdings is available. As all of the assets of the Dome Extension Company can be acquired by the issue of 46,000 shares of the stock in Dome's treasury, an actual increase in the latter company's capital liability of only $460,000, and as it seems reasonably certain that Dome's ore bodies will be found to extend into Dome Extension ground, it seems almost a foregone conclusion that this option will in time be exercised."

TRETHEWEY.

The appearance of the Trethewey annual report has apparently had little or no influence on the stock, which is rarely traded in. If anything, the price has receded, for on Thursday a block sold at 17, as against a previous sale at 18¼. The report shows that since the mine was reopened last summer, 227,625 ounces of silver were treated, from which a profit of $64,664 was derived. There was an additional profit of $15,201 resulting from the sale during 1916 of silver on hand, December 31, 1915, at a higher price than estimated, making a total profit for the year of $79,865. The report states that the tonnage of positive ore reserves shows a decrease of 22 per cent., and a somewhat similar proportion may be expected during the first few months of 1917. While the results of development in the southern end of the property were not encouraging, the relativly open area north of No. 6 shaft and about No. 4 shaft offers more favorable opportunities for future work.

HOLLINGER.

Whether the dividend on Hollinger is to be reduced or not is still an uncertainty so far as the market is concerned. The stock has received some support, and, even with a reduced dividend in prospect, it has good value behind it at its present level. The low point of 5.10 was reached on Monday, since when the stock has been stronger between 5.25 and 5.35. Some speculation as to the figures to be presented in the forthcoming annual report has been indulged in. To the end of 1914, it is understood, the Hollinger Mines actually accounted for gold to the value of about $15,250,000, and it is said the gross gold content in the ore reserves is estimated at about $34,000,000. A year ago the gross gold contents of the properties were placed at $33,337,870. In 1916 about $5,300,000 was taken out of the mines. This would make the grand total of the gold received from these properties, and now in sight, about $50,000,000. The issued capital of the company is $24,600,000. There is a net surplus over and above all current liabilities of about $550,000, and a gross value in the present ore reserves equivalent to $1.38 for every dollar of capital liability, leaving speculative factors to the practically untouched Millerton property, and to the known and reasonably assured quantities in the lower levels of all the other areas.

OTHER STOCKS

Market Has Continued Dull, But With Some Slight Improvement in Tone.

The dullness of the situation has applied to the specialties as well as to the industrial and other groups. Altogether there is a waiting attitude which, in view of the great factors for uncertainty at work, indicates that possible developments have been pretty well discounted, and that the market is on a fairly strong basis. Also there has more recently made its appearance a demand for some of the older industrial preferred stocks, which has established a reassuring tone. It is evident that these preferred stocks, in view of the remarkable improvements which the companies have been able to make in their position, are below the valuation of anything like a normal market, and it is assumed that they will later move to higher levels when the great bulk of the war bond issues has been absorbed. The position of the preferred stocks referred to reflects the general monetary situation and the value of capital as enhanced by war expenditures. With six per cent. or even more available on Government bonds, it is hardly to be wondered that, especially in view of the unsettled conditions, investors are favoring these issues to industrial, public utility and other issues with higher returns. A return to normal conditions would undoubtedly bring a change of sentiment and a better appreciation of what war profits have done for some companies. On the other hand, it must be realized that the process of readjustment has commenced, and that higher costs of production and keener competition are now affecting the abnormal profits, in which reserves of raw materials—now exhausted—played a very important part. However, this condition applies to the common to a greater extent than the preferred securities.

Ames-Holden.

Work is going ahead rapidly on the additions which are being made to the Mount Royal plant of the Ames-Holden Company, and part of the equipment has already been moved over from the McCready factory. Mr. Feltes, the manager, informs the FINANCIAL POST that the entire plant of the Inspector street factory will have been moved under the Mount Royal roof by the first of May. The company's travellers will not start out on the road with their fall samples until May, by which time it is expected that the leather situation will be a little more stable. Leather is scarce and hard to get, but the Ames-Holden Company has not yet gone into the market for its supply for next year's output. Prices are expected to continue firm, and in the event of war between the United States and Germany, will undoubtedly go much higher. The asked price for the stock which was quoted at 23¾ a few weeks ago, is 20 this week, with 17½ bid, and no sales.

On Thursday the preferred was traded in at 49, which is the low point of the year to date; the opening in January was at 61.

B. C. Lumber.

Those interested in the affairs of the B. C. Lumber Corporation will be interested in the statement of J. H. Bloedel, president of the West Coast Pacific Lumbermen's Association. Mr. Bloedel expresses his very strong conviction that after the war there will be an exceedingly large and active demand in Europe for the product of the forest of the Pacific Northwest. The affairs of the B. C. Lumber Coropration are still in a very uncertain state owing to the long period of inactivity and the overhead charges which have had to be met.

Bell Telephone.

The annual statement of the Bell Telephone Company, which is reviewed in another column, shows that the company has had another very successful year, and that profits have again been increased. The stock has shown a slight tendency to decline this week, with sales at 147¼, as compared with 149-150 last week However, these figures under the conditions compare favorably with the average of 145 for several weeks after the opening of the year.

Canada Cement Company.

The operations of the Canada Cement Company have been greatly hampered by congestion on the railways. Thousands of barrels of cement which should have gone to the buyers long ago are hung up, because of the inability of the railways to supply the necessary cars. The common stock, which dropped ten points during the February liquidation, closing last week at 59½, firmed up this week, 100 shares selling at 60¾ and 100 at 60½ on Wednesday. The preferred was selling ex-dividend on Thursday.

Canada Bread.

There has been no trading in Canada Bread this week, the securities of this company sharing in the general dullness of the market. There has been little change in business conditions as affecting the company, and a measure of improvement continues in the volume of trade, although the situation is naturally very unsettled with the future of the flour and wheat markets so uncertain. The asked price of 17 recently compares with offers of 16 and last sales at 16½; the preferred has been 86½ asked and 85 bid.

City Dairy.

Important changes in connection with the administration of the company have taken place during the week. C. E. Potter, who has been connected with the firm for a number of years, and who has played an important part in building up the present organization, has resigned, and has been succeeded by W. J. Northgrave. Charles B. McNaught becomes president. In connection with the change of management, it is stated to THE POST that no particular departure in policy is planned, as is indicated by the fact that the control of the company has been placed in the hands of W. J. Northgrave, who has proven a very efficient assistant manager. He has been connected with the company for the past fourteen years, and is thoroughly in touch with all branches of the business. It is intimated that a policy of retrenchment has been decided upon, and that it is expected to effect certain economies in administration. So far as general business conditions are concerned, they are very trying, but are showing some improvement. The stock market still fails to indicate the value of the securities.

Carriage Factories.

About the most comforting thing that can be said to the holders of Carriage Factories stock is that the directors told them the worst in the annual statement presented last week. When in doubt they adopted the policy of writing off. The principal reason for the poor showing, according to E. Snowdon, comptroller and auditor of the company was heavy losses on some of the government contracts, due to the high cost of materials. Leather advanced after the contracts had been taken, and as they had all been taken at very close prices owing to the keen competition last year, a loss was inevitable. Another factor was the increased cost of labor, the company having been obliged to make a substantial increase to their employees during the year. The company's war business the previous year was very profitable. They handled about a million dollars' worth of orders, and the profits were substantial. The outlook for the future is not discouraging, however. The company at the present time has more orders on its books than at any other period in its

Continued on page 5.

War Loan Bonds

The coming Dominion issue is expected to offer very favorable terms. Place your order with me and insure individual attention without charge.

A. ANGUS MACDONALD

Main 6530. C.P.R. Building, Toronto

HARRY HORNE COMPANY, LIMITED.

PUBLIC Notice is hereby given that under the first part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 30th day of January, 1917, incorporating Harry Horne, manager, Wilbert Bruce Horne and Edward John Swift, accountants, Richard Horne and Robert Marshall Gibson, salesmen, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz.:—(a) To manufacture, buy, sell, refine, prepare, grow, import, export and deal in provisions of all kinds, both wholesale and retail; (b) To manufacture, purchase or otherwise acquire, and to sell or otherwise dispose of any or all kinds of goods, wares, chattels and merchandise, and generally to deal in and deal with all species of property, either movable or immovable, capable of being owned; and to carry on any other business (whether manufacturing or otherwise) which may seem to the company capable of being conveniently carried on in connection with its business or calculated directly or indirectly to enhance the value of or render profitable any of the company's property or rights; (c) To acquire or undertake the whole or any part of the business, property and liabilities of any person or company carrying on any business which the company is authorized to carry on, or possessed of property suitable for the purposes of the company; (d) To apply for, purchase or otherwise acquire, any patents, brevets d'invention, licenses, concessions and the like, conferring any exclusive or non-exclusive or limited right to use, or any secret or other information as to any invention or process which may seem capable of being used for any of the purposes of the company, or the acquisition of which may seem calculated directly or indirectly to benefit the company, and to use, develop or grant licenses in respect of, or otherwise turn to account the property, rights or information so acquired; (e) To enter into partnership or into any arrangement for sharing of profits, union of interests, co-operation, joint adventure, reciprocal concession or otherwise, with any person or company carrying on or engaged in any business or transaction which the company is authorized to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit the company; and to lend money to, guarantee the contracts of, or otherwise assist any such person or company, and to take or otherwise acquire shares and securities of any such company, and to sell, hold, re-issue, with or without guarantee, or otherwise deal with the same; (f) To take, or otherwise acquire and hold shares in any other company having objects altogether or in part similar to those of the company or carrying on any business capable of being conducted so as directly or indirectly to benefit the company; (g) To sell, improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the company; (h) To pay for any property, rights and things required by the company or for services rendered to the company in cash, fully paid shares of the capital stock of the company, or its bonds and debentures; (i) To establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees of the company, or its predecessors in business, or any person, partnership, association or company allied with the company in business, or subsidiary to the company, or in which the company holds shares or securities, or to benefit the dependents or connections of such persons, and to grant pensions and allowances, and to make payments towards insurance, and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibition or for any public, general or useful object; (j) To amalgamate with any other company having objects similar to those of this company; (k) To invest the moneys of the company not immediately required, in such securities and in such manner as may from time to time be determined; (l) To distribute or divide assets of the company in specie amongst the shareholders; (m) To sell or dispose of the undertaking of the company or any part thereof for such consideration as the company may think fit, and in particular for shares, debentures or securities of any other company having objects altogether or in part similar to those of the company; (n) To procure the company to be registered, licensed or otherwise recognized in any foreign country, and to designate and appoint persons therein as attorneys or representatives of the company with full power to represent the company in all matters according to the law of such foreign country, and to accept service for and on behalf of the company of any process or suit; (o) To purchase, lease or acquire and develop water or other power, and to use the same and to lease, sell or otherwise dispose of any surplus thereof; (p) To do all or any of the above things as principals, agents, contractors or otherwise, and either alone or in conjunction with others; (q) To pay out of the funds of the company all or any of the expenses of or incidental to the formation and organization thereof, and to employ, contract with and provide for the remuneration of brokers, commission agents and underwriters upon any issue of shares, bonds, debentures, debenture stock or other securities of the company. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Harry Horne Company, Limited," with a capital stock of fifty thousand dollars, divided into 500 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario. Dated at the office of the Secretary of State of Canada, this 1st day of February, 1917.

THOMAS MULVEY,
Under-Secretary of State.

NEWS OF SECURITIES

Continued from page 4.

history. This business is expected to show a satisfactory profit. Very little of it is government business. The company will be very busy for the next few months at least, and if the hopes of the directors are realized, a dividend will be paid on the preferred before the end of this year. The president declined to make any promise, but told the shareholders that if conditions warranted the declaration of a dividend, they would not have to come to him about it. The poor showing of the company for the past year, was reflected in the sharp decline of the stock now Friday last, when it dropped to 12, 13 points down from the high of this year. The high quotation last year was 48, and the low 29.

Following are comparative figures from the report:

PROFIT AND LOSS.

	1916	1915	1914
Profits and dep..	$ 34,789	$295,703	$119,009
Int. and rents...	11,545	13,560	10,633
Total profits	$ 46,334	$309,263	$129,643
Deduct:			
Head office exp.	11,212	10,366	10,192
Bond disc't.....	1,667	1,667	1,667
Net profit.......	$ 33,455	$297,230	$117,783
Deduct:			
Bond interest..	29,310	30,000	30,000
Pref. div.	....	42,028	63,042
Surplus	$ 4,144	$255,202	$ 24,741
Previous	311,833	127,188	102,447
Total surplus....	$315,977	$352,391	$127,188

Canadian General Electric.

While there has been no trading in Canadian General Electric during the latter part of the week, and there has been nothing in the way of news regarding the company's operations, the situation has developed some strength. The asked price for the common is 110, with 109 bid, as compared with last sales at 108¾.

Canadian Rubber.

"A feature of our business the past year, has been the very large export trade which we have done," said T. H. Rieder, vice-president and general manager of the Canadian Consolidated Rubber Company, to THE FINANCIAL POST. This business, together with the war orders secured by the company, gave a very large turn-over for the year. The increase over the previous year's business will be very large and the earnings, will be very satisfactory. In addition to the goods which the company has shipped to England and France, a very satisfactory export trade has been opened up with New Zealand and Australia. The company is also contemplating opening up business in South Africa. The large factory on Inspector Street, which has been leased from the Ames-Holden-McCready Company, will be occupied by the company's water-proofing department, while the ground floor will be used as offices. The asked price for the common stock, which was quoted at 96, early in the month, is now 105. The shareholders of the Canadian Consolidated recently authorized an $8,000,000 bond issue, to provide for the refunding of certain debenture issues, and to take care of other obligations.

Shareholders of the Canadian Consolidated Rubber Company sanctioned new financing plans, including the creation of a first and refunding mortgage issue of $8,000,000 bonds to provide for the refunding of various obligations, including bank advances and debentures of $2,500,000 which fall due on December 1,, 1918. Funds will also be provided for future expansion. There is outstanding a first mortgage issue $2,600,000 secured on the property of two susidiaries, the Canadian Rubber Co., and the Granby Rubber Co. It is understood that bonds of the proposed new issue, will be held against the retirement of that issue at maturity. There has been no activity in the stock recently. The asked price is 105 as compared with 97¼ quoted the first week in this month.

Dominion Canners.

There has been no demand for the securities of Dominion Canners recently, although the quotations of 21 asked and 20½ bid for the common indicate a firm situation, as compared with last transactions at 20. There is no news of importance regarding the situation, although some interest is being taken in the tin market from the standpoint of the canning industry. Already the advance in the price of tin has been an important factor in marketing costs, and if the shortage continues it is likely to be even more important next season.

International Petroleum.

While there have been no deals in International Petroleum on the Toronto exchange recently, the price has shown some improvement at Chicago on the curb, where there was a report to the effect that a merger was being planned with the Mid-West Refining Company. A Chicago report says:

> It is now accepted as a fact that Midwest has been taken over by the Imperial Oil Company of Canada. The directors of the Imperial Oil Company have issued an official denial of the report, but it is known that W. C. Teagle, president of the company, and his associates have secured a controlling interest in Midwest Refining, and it is thought to be only a question of time when Midwest will be formally transferred to the Imperial company.
>
> The relations between the Midwest Refining Company and the Imperial Oil Company have been very close. The Midwest Refining Company has been supplying all the gasoline and refined oils marketed by the Imperial Oil Company west of Winnipeg, as far as the British Columbia line.
>
> The proposed merger of the International Petroleum and Midwest Refining companies is chiefly important as relates to the former's production. This amounts to about 6,500 barrels per day and can be increased just as soon as business warrants. The company has been shipping oil to the refinery of the Imperial Oil Company at Vancouver, B.C., and has employed its own tank steamers for the purpose. It is claimed that the production can be more expeditiously and economically handled if shipped to the Midwest Refining Company's plant at Casper, Wyo. In this connection it is reported that a pipe line will be built, connecting the Wyoming field with the refinery of the Imperial Oil Company at Vancouver. This is being enlarged to a 5,000-barrel-per-day capacity.

Maritime Telegraph.

Shareholders of the Maritime Telegraph and Telephone Company will be interested in the announcement regarding the prospects for future dividends of the company made at the annual meeting held in Halifax. Whether the present rate of 6 per cent. on the common can be maintained will depend upon the basis of earnings to be considered by the Public Utilities Board in establishing the rates which may be charged.

A. Macdonald Co., Ltd.

The diplomatic exchanges between the representative of the directors of A. McDonald, Limited, and the common shareholders of Montreal, has resulted in a better feeling about the stock, which has been reflected in a ten-point advance in the price of the preferred during the past two weeks. This is regarded as very satisfactory, particularly in view of the very dull market. It is reported that insiders have been the heaviest buyers, and the rumor is heard that the company will shortly begin paying dividends on the preferred. The common stockholders will have to possess their souls in patience for a few years yet. The common closed at 14 last week, but is a little weaker this week at 14 asked, and 13¼ bid.

Mackay.

In this issue in another department will be found a review of the report of the Mackay companies for 1916, together with an interesting statement from the president, Clarence H. Mackay, in which he warns the Government against nationalization of the telegraph systems. The directors make the interesting statement regarding the common dividend that an increase to 6 per cent. is being considered. This was evidently no news to the market, and was not reflected in the trading.

Ontario National Brick.

One cannot but admire the courage of the promoters of the Mack Brick Company, in view of the demoralized condition of the brick business. Ontario National brick bonds, which were sold at 95, when they were put on the market first, have been offered locally at 25, with no takers. The buyers of these bonds got 50 per cent. of common stock thrown in. Some sales of the bonds of the National Brick Company, of Laprairie, were recently made at 28, but the price has advanced, and is now around 35.

Russell Motor.

After remaining very dull for some days, Russell came into the limelight during the latter days of the week and, although there was no news regarding the operations of the company which might be regarded as an explanation for renewed demand, the price of the common went up 2 points on previous sales to 80, and the preferred 3½ points to 112½.

Sawyer-Massey.

Some interest is being displayed in the affairs of this company owing to the fact that the annual statement is expected to be mailed to the shareholders in the near future. However, so far as the market is concerned there has been no trading for months, and no quotations to give an idea as to the basis of valuation.

Wm. A. Rogers.

At the Rogers annual meeting this week the reports presented were received with general satisfaction. However, in some quarters there were expectations regarding the dividend policy, which were not sustained, and this is mentioned as explaining transactions in the common stock at 74, as compared with 80 at the end of last week; the preferred at 90 was not affected.

Wolthausen Hat.

The recent offering of 6 per cent. first mortgage sinking fund gold bonds—with a bonus of 25 per cent. common stock—of the Wolthauser Hat Corporation, met with success and the plans of the company, based upon this new financing, will be carried out in due course. They include improvements and extensions to the company's plant at Brockville, which will ensure an increased output of 50 per cent. This plant was devoted to the manufacture of felt hats, but it is learned that the company is considering a proposition to secure a plant for the manufacture of straw hats also. Of the total of $150,000 of this new issue, $50,000 was offered to the public at a price of $97.50. At the time of the issue the company had outstanding $100,000 of 6 per cent. bonds, $100,000 of preferred stock, and $580,000 of ordinary stock. It is pointed out that the average net annual earnings for the fiscal years 1912 and 1916 inclusive, after providing for depreciation, amounted to three times the average annual bond interest. It is stated that there are orders on hand to ensure operations to full capacity until the end of the season.

The Security Life Insurance Company of Canada

ANNUAL REPORT

The Annual Meeting of The Security Life Insurance Company was held at the Company's Head Office, Kent Building, Toronto, on Tuesday, February 13th.

The following figures taken from the Directors' Report and the accompanying Cash Statement and Balance Sheet as at December 31st, 1916, indicate that the year was one of progress and care:—

	1915.	1916.
Total Insurance in force	$1,217,900.00	$1,388,800.00
Premium Receipts	35,597.39	41,534.62
Interest Receipts	3,151.67	4,624.48
Total Cash Income from all sources	49,961.82	75,887.16
Head Office Salaries, Travelling Expenses, Auditors' Fees, Medical Inspection, etc.	16,263.95	11,106.84
Agency Salaries, Advances, Travelling Expenses, First Year and Renewal Commissions, etc.	14,067.77	11,424.33
Total payments for all expenses	48,472.29	41,011.23
Net Invested Assets, December 31st	68,544.24	95,095.48

The net Reserves held for security to Policyholders increased during 1916 by $19,061, and the Surplus on the cash basis required by the Insurance Department increased by $19,075.

The Death losses for the year were only $2,100, being less than 25 per cent. of the expected according to the mortality tables on which the premiums were based.

The average rate of interest earned on the net Invested Assets was 5.75, being 2¼ per cent. in excess of the rate used in computing the premiums.

The Statement shows that 95 per cent. of the funds of the Company are invested in high-class Debentures and Bonds.

DIRECTORS AND OFFICERS.

President, BRIG.-GEN. SIR HENRY M. PELLATT, C.V.O.
First Vice-President and General Manager, J. O. McCARTHY
(Ex-Controller City of Toronto).
Vice-Presidents—VICTOR MORIN, LL.D., Notary Public, Montreal; W. W. HILTZ, Builder, Toronto (Ex-Chairman Board of Education); W. O. McTAGGART, Toronto (Ex-Chairman Board of Education).
Directors—MARK WORKMAN, Montreal (President Dominion Steel Corporation); B. F. ACKERMAN, Peterborough (Manufacturer); J. P. LAPORTE, M.D., Joliette, P.Q.; W. H. ELLIOTT, Toronto (Inspector Public Schools).
Medical Referee—R. J. WILSON, M.D. Secretary & Actuary—JOHN P. P. OLIVER.

HUGE GAIN IN PROFITS BY THE RIORDON CO'Y.

Net Earnings Increased 355 Per Cent. Over the Figure for 1915.

MILLION ADDED TO SURPLUS

Purchase of Ticonderoga Company Has Proved Advantageous and High Prices Are Anticipated During the Current Year.

The annual report of the Riordon Pulp & Paper Company for the year ending December 31, 1916, shows in no uncertain way the remarkable progress which has been made by the pulp and paper industry during the past year and the great prosperity which the Riordon Company itself has enjoyed under the improved conditions. The record stands disclosed in the statement of profits. Whereas in 1914, the company exhibited gross profits of $375,862 and in 1915 of $427,049, it remained for 1916 to carry the total over the million dollar mark to $1,526,615. Allowing a generous sum for depreciation and also deducting interest charges, the net profits amounted to $1,331,051, as against $292,558 in 1915 and $247,078 in 1914.

The balance at the end of 1915 having been $375,634, the company's surplus as a result of the 1916 operations was increased to $1,706,686. From this was deducted $95,318 in bond interest; $70,000 in dividends or preferred stock and $202,500 in dividends on common stock, leaving the balance to be carried forward into 1917 at the substantial figure of $1,338,870, a gain of nearly a million dollars.

There has been during the year an increase of nearly a million dollars in assets, due in large part to the value of the company's investment in the capital stock of the Ticonderoga Pulp and Paper Co. A controlling interest in this company was purchased on November 21, 1916 and already the advantage of the purchase has made itself felt. Under current assets accounts receivable are naturally larger, but this increase has been more than offset by a reduction in the inventories of logs, lumber, supplies and expenditure on logging operations, season 1916-17.

There has been an increase in the number of first mortgage bonds outstanding, but the number deposited as collateral security for loans and advances has been entirely wiped out during the year. Bank loans have been reduced from $889,860 to $496,000. The balance sheet is set forth as follows:—

ASSETS.	1914.	1915.	1916.
Properties	$6,873,762	$6,870,887	$7,295,074
Investments ..	48,075	48,325	619,268
Current Assets.	1,927,108	1,981,589	1,910,560
Def'd Charges .	11,009	34,274	95,227
Total Assets ..	8,859,956	8,935,076	9,920,131
LIABILITIES.			
Capital	$5,500,000	$5,500,000	$5,500,000
Bonds	1,500,000	1,533,000	1,881,500
Curr. Liabil. .	1,360,063	1,270,929	944,248
Sur. at Reorg.	255,512	255,512	255,512
Surplus	244,380	375,634	1,338,870
Total	8,859,956	8,935,076	9,920,131
Contg. Liab. ..	180,578	205,217	195,564

As to the business outlook the President says:—"The prices now being obtained under contracts for our products are considerably in excess of the prices obtained in 1916. Owing to the heavy demand for pulp, the curtailment of production in Europe and the difficulty and excessive cost of transportation, we anticipate high prices throughout the year. Should present conditions continue, your directors expect a banner year for 1917."

AN ANALYSIS OF CONDITIONS WHICH HAVE RESULTED IN BLOCKADE OF FREIGHT TRAFFIC.

Continued from page 1.

While transportation earnings remain at a high level they have no doubt been affected, particularly in the case of the Grand Trunk, which is the most important carrier in the area affected, by the blockade. Further, there are indications that the present and recent earnings represent a maximum of profit with a minimum of expenditure on equipment and maintenance. Under such conditions it must be that in the future there will be a much larger margin between the net and the gross as represented by expense.

The National's Service
X
AS TRANSFER AGENT

The function of the Company as Transfer Agent "Arises as a result of the fact that a part of the financing of corporations is accomplished by the issuance of capital stock. In the majority of corporations, whose stock is held by the public, it has become the custom to have all details in connection with the transferring of stock, certification of Stock Certificates, etc., attended to by a trust company; and in fact the principal Stock Exchanges in Canada and the United States require that this work should be in the hands of a reputable trust company."
—The Monetary Times Annual.

National Trust Company Limited
Capital Paid-up, $1,500,000. Reserve, $1,500,000.
18-22 King Street East, Toronto.

G. A. STIMSON & COMPANY
Bond Brokers Toronto
are Receiving Applications for Forthcoming
DOMINION WAR LOAN
Send for Particulars

$100,000
County of Renfrew
5½% BONDS
REPAYABLE IN 10 ANNUAL INSTALMENTS
Price: Rate to Yield 5¼%
Aemilius Jarvis & Co.
(Members Toronto Stock Exchange)
JARVIS BUILDING TORONTO, ONT

Royal Securities Corporation
LIMITED
INVESTMENT BONDS
Government
Municipal
Public Utility
Industrial
CORRESPONDENCE SOLICITED
164 ST. JAMES STREET - MONTREAL
12 KING STREET EAST - - TORONTO

THORNTON DAVIDSON & CO.
Members Montreal Stock Exchange
STOCK AND BOND BROKERS BONDS FOR INVESTMENT
Orders Executed On All Markets
Weekly Letter Mailed On Application
Rooms 420-421-422 Transportation Building, Montreal, Quebec

"Security First"
EXCELSIOR
INSURANCE LIFE COMPANY
1916—A RECORD YEAR—1916
THE FINANCIAL STATEMENT FOR 1916 SHOWS
(1) Total Income - - - - $917,200.15
An Increase of $105,291.18, the largest in the history of the Company.
(2) Assets for security of Policyholders, $4,523,556.45
An Increase in 1916 of $264,602.30
(3) Surplus on Policyholders' Account, $832,293.45
Increase in Applications for New Assurances of 50 per cent. as compared with 1915.
Total Assurances - - - - $21,078,581.75
For pamphlets, descriptive of our up-to-date policies, write
Head Office, Excelsior Life Building, Toronto

CANADIAN STOCKS

Quotations of listed Securities on the Montreal and Toronto Stock Exchange, with prices at closing on Feb. 22, in stocks listed on both Exchanges prices quoted are those of the market in which a stock is the more active. (Reserve Funds, Profit and Loss, include all Reserves except "Depreciation.")

Capital Stock Outstanding	Reserve Fund	Profit and Loss	Net Earnings %	Dividends 1912	1913	1914	1915	Last Dividend Date 1916-7	Rate	Yield to Feb. 15	BANKS	Range 1914 High	Low	Range 1915 High	Low	Range 1916 High	Low	Range 1917 to Feb. 15 High	Date	Low	Date	Close Feb. 12 1916 Ask	Bid	Close Feb. 22 Ask	Bid	Week ending Feb. 22 High	Low	Last	Sales
4,866,666	3,017,333	198,175	7 97	8+1	8	8	8	7th Apr.	s. 3	5.35	British North America	150	145	145	145	112	110	112	Jan. 29			145							
15,000,000	13,500,000	461,892	15 70	10+1	10+2	10+2	10+2	30th Nov.	q. 2½	5.40	Commerce	218	199½	205	203	203	183	186½	Jan. 31	184½	Jan. 11	203			185	186½	185	185	16
6,000,000	7,000,000	344,439	14 05	12+2	12+2	12+2	12	2nd Jan.	q. 3	5.68	Dominion	233	218	229½	227	220	204	212½	Jan. 9	210	Feb. 8	227		211		210	210	210	24
3,000,000	3,300,000	175,821	14 14	11	12	12	12	1st Dec.	q. 3	6.31	Hamilton	207	198	208	201	197	246¾	191	Jan. 2	190	Jan. 22	201			191	191¼	191¼	191¼	5
4,000,000	3,700,000	40,622	13 25	9	9	9	5	1st Dec.	q. 2¾	6.20	Hochelaga	155	149	150	149	149	145	145	Jan. 9	145	Jan. 4	149			145	145	145	145	1
7,000,000	7,000,000	1,089,656	14 73	12	12	12	12	1st Feb.	q. 3	6.12	Imperial	218	210	214	210	203	180	200½	Jan. 11	196	Feb. 15	210		199	198	199	196	199	13
1,946,372	300,000	42,791	8 44	6¾	7	7	5	1st Dec.	q. 1¼		Home Bank																		
7,000,000	7,000,000	250,984	13 68	10	10	10	10	1st Feb.	q. 2½	5.88	Merchants	193	177	180	180	180	150	170	Jan. 3	167½	Jan. 27	180			170	170	168½	169	77
4,000,000	4,800,000	61,300	13 09	11	11	11	11	2nd Jan.	q. 2¾		Molsons	205	194	202	200	195	182	181	Jan. 9	179½	Jan 23	201			180	180	180	180	32
16,000,000	16,000,000	1,321,193	13 17	10+2	10+2	10+2	10+2	1st Dec.	q. 2½	4.27	Montreal	250	227½	240	234	240¼	219	234	Jan. 11	232	Jan. 4			228	225	228	225	228	12
2,000,000	1,900,000	54,843	16 66	7	9	8	8	1st Feb.	q. 2	5.97	Nationale	133¾	131	132¾	132¾	134	134	134	Feb. 5			234							
6,500,000	12,000,000	396,115	18 07	14	14	14	14	31st Dec.	q. 3½	5.49	Nova Scotia	265	257	265	261	261	254	255½	Jan 7	255	Jan. 6	261			256	256	256	256	6
4,000,000	4,750,000	246,304	13 28	11½	12	12	12	1st Dec.	q. 3	5.88	Ottawa	208	201	207	207	204	202					207							
2,735,000	1,000,000	11,795	8 54	7	7	7	7	1st Dec.	q. 1¾		Quebec	122	118	120	119	119	96					119							
11,560,000	12,560,000	676,472	15 57	12	12	12	12	1st Dec.	q. 3	5.68	Royal	228	218	223	221¼	221¼	210	214	Feb. 13	211	Feb. 15	221¼			213	214	213	214	63
3,000,000	4,000,000	651,646	18 78	13	13	13	13	1st Feb.	q. 3¼	6.13	Standard	223½	208¾	220	215	221	211¼	215	Jan. 2	211½	Feb. 7			212		211½	211	211	10
1,198,801	3,000,000	52,184	12 20	6	6	6	6	15th Feb.	q. 1½		Sterling																		
5,000,000	6,000,000	439,378	13 02	11+1	11+1	11+1	11	1st Dec.	q. 2¾	5.78	Toronto	215	203	211	207	215½	190	213	Jan. 30	190	Jan. 3	211		192	190	191	191	191	26
5,000,000	3,400,000	106,972	13 19	8	8	8+1	8+1	1st Dec.	q. 2	5.76	Union	147½	137	140½	140	140	132	140	Jan. 17	137	Jan. 2	140		139	138	140	140	140	10

TRANSPORTATION—RAILWAYS, NAVIGATION AND STREET CARS

Out-standing Common Stock	Out-standing Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	1914	1915	1916																							
27,450,000	10,000,300										Barcelona, T. L. and P.	35¼	15½	17¾	7¾	17	19	17	Jan. 4	11⅝	Feb. 14	9	8	12	11⅜	11¾	11⅝	11⅜	85
106,217,500	10,000,000		3,822,410	6	6	4	2	1st Dec.	q. 1	9.09	Brazilian Traction L. and P.	92	53½	59¾	45	62½	43	47¾	Jan. 2	43	Feb. 8	53		43¾	43¾	44	43	43¾	331
				3	6	6	3	1st Jan.	q. 1½		Brazilian Traction, Pref.																		
12,000,000		9,766,740	108,080								Canada Steamships Lines, Com.			20	6	45	16	38	Jan. 4	29¾	Feb. 3	18½	18	34¾	34¼	35⅛	33	3 ⅛	945
	12,500,000				3½	6	3½	15th Feb.	q. 1¾	7.52	" " Pref.			76½	59	95½	89¾	93¾	Jan. 29	86¾	Feb. 15	75½	75	86	85¾	87	84	85⅞	619
260,000,000	80,681,921	234,684,062	208,492,641	7+3	7+3	10	7½	31st Dec.	q. 2½	6.45	Canadian Pacific Railway	219⅝	171½	195½	139¾	182¼	163¾	163¾	Jan. 17	149⅜	Feb. 8		171	156	155	156¾	152	156	220
											Civic Investment					83¾	79	82¾	Jan. 26	78	Feb. 3	82½	81	82⅛	82	82¼	81	82¼	1,967
12,500,000		33,485,135	7,767,986	6	6	6	3¼	1st Dec.	q. 1½	5.88	Detroit United	73¼	55	73	62	128½	69	128	Jan. 3	114	Feb. 3			116	115	115¼	113½	115¼	47
3,500,000	1,500,000	3,262,000	339,156	4½	4	2	p	1st July '15	s. 1	8 5	Duluth Superior Traction Co., Com.	67	55	60	55	49	37	50¼	Jan. 23	43	Jan. 8			52	51	51	46½	62½	401
1,400,000		600,000	921,736	8	8	8	6	2nd Jan.	q. 2	5.00	Halifax Electric, pref.	*160	*160			160	160					160							
12,251,400	7,135,500	810,000	1,700,607	2¼	3	3	1½	15th Feb.	q. ¾		Illinois Traction, Com.											61							
				6	6	6	4½	1st Jan.	q. 1½	6.74	Illinois Traction, Preferred	95	95	93	91	91	87¾	88½	Jan. 12	88	Jan. 2	91		88		89	88	89	11
25,000,000											Mexico North Western Railway																		
20,000,000		16,381,333		7				1st Nov. '13	q. 1¾		Mexico Tramways Co.																		
25,206,000	12,603,400	[illegible]	14,750,595	7	7	7	3½	15th Apr.	s. 3½	5.73	Minn., St. P. and S.S.M., com	134¾	116½	126¾	116½							125	122						
2,963,970		32,771,487	1,264,166	10	10	10	5	1st Feb.	q. 2½	5.71	Montreal Tramways	230	190	220	220			181	Jan. 5	180	Jan. 16	220			175	175	175	175	13
9,000,000	3,481,600	12,022,000	1,704,720	5	5	5	2½	15th Jan.	q. 1¼	6.84	Northern Ohio Traction			73	73														
3,000,000	1,000,000	4,017,667	49,922	4	3			1st July '14	p. 1	9.5	Porto Rico Railways Co., Com.	71	45	51	45	49½	30	42	Jan. 27	35	Jan. 3	46							
				7	7	7	5¼	2nd Jan.	q. 1¾		" " Pref.	103½	101			30						60							
9,999,500		10,797,000	347,499					15th Jan.'12	q. 1 p	8.00	Quebec Railway L., Heat & P. Co.	16¾	10	20½	9½	45	14	35½	Jan. 2	21	Jan. 25	14	13	25	23½	25⅜	24	25⅜	439
966,400			393,791	8	8	10+2		1st Jan.	a. 8		St. Law. & Chi. Steam Nav. Co.	110	*99	130	100							119							
12,000,000		3,482,067	5,841,738	8	8	8	6	2nd Jan.	q. 2	9.41	Toronto Railway	144¾	110	117½	111	111	72	87	Feb. 7	84⅛	Feb. 9	111		85	84½	85⅛	81	85⅛	301
9,000,000	3,000,000	12,305,000	535,085	6	6	6	3	2nd Jan.	q. 1½	6 74	Tri-City, preferred			89	89														
22,000,000	3,000,000	20,263,000	6,919,635	6	6	6	4½	2nd Jan.	q. 1½	5.45	Twin City, common	108⅛	99¾	101	93	101	93⅜	95	Jan. 3	93	Jan. 15		95	94	93¾	94	93	93¾	45
9,000,000		12,021,196	2,088,288	12	12	12	10½	1st Jan.	q. 2	10.25	Winnipeg Electric	210½	188	186½	180	110	90	81	Jan. 12	78	Jan. 3								

TELEGRAPH, LIGHT AND POWER UTILITIES

18,000,000		11,149,000	1,249,135	8	8	8	6	15th Jan.	q. 2	5.36	Bell Telephone	159¼	140¾	159	140	152	140	150	Feb. 5	144	Jan. 15		148	148		148	147¾	147¾	70
4,882,000			3,234,018	10	10	10	5	1st Jan.	q. 2½	6.06	Consumers Gas	180	169	185	176	176	160	165½	Jan. 8	164½	Jan. 19		176	165	164½	165	164½	164½	88
1,850,000		2,999,813	271,975								Calgary Power	59	53																
41,380,400			1,355,899	5	5	5	3¾	2nd Jan.	q. 1¼	5.69	Mackay, common	88	75	84¼	71	87	78	89½	Jan. 17	83½	Jan. 5	82		89½	88½	90	87½	89	847
	50,000,000			4	4	4	3	2nd Jan.	q. 1	5.97	" preferred	71	65½	70½	65	69¼	64½	68	Jan. 16	65	Feb. 2		67	67	66½	67⅛	66¾	67	273
13,585,000		21,073,833	318,522	4	p	p	p	15th Jan '14	q. 1		Mexican Light and Power Co., com	49⅞	32½	46	46	15	15												
	6,000,000			7	p	p	p	1st Nov. '13	s. 3½		" " pref.																		
18,778,266		10,152,000	5,742,273	9½	10	10	8	15th Feb.	q. 2½	4.73	Montreal Power	230	211	241¾	211	249¾	218					225	223						
3,483,520		1,275,000	766,296	10	8	6½	4½	1st Jan.	q. 1¾	6 31	Ottawa, Light, Heat and Power Co.	172	124	123	120	95¾	92	92	Jan. 17	90	Jan. 8	120							
13,612,500		10,012,762	2,587,528	6	6	6	7½	10th Jan.	q. 1¾	5.55	Shawinigan Water and Power Co.	142¾	111	139½	110	137	126¾	130½	Jan. 2	123½	Feb. 3	132	131	128	125¾	127	125	127	366

INDUSTRIALS AND MISCELLANEOUS

3,5[illegible].000		960,000	203,236								Ames Holden McCready Co., com	16	6	23	7⅞	35	19½	23¾	Jan. 3	16	Feb. 3	22	21⅛	18½	17½	18⅛	18½	18½	10
	2,500,000			7	5¼			1st July '14	q. 1¾	14.00	" pref.	70¼	54	75	55	80½	52	61	Jan. 9	50	Feb. 5		73½		50	50	49	49	50
1 88,900			1,591,599	7	7	7	3½	21st Nov.	s. 3½	8.75	British Col. Packers, com																		
	357,500			7	7	7	2	21st Nov.	s. 2	6.19	" " pref.	143½	111	124	105	147½	58						113						
750,000			336,266	6	5½	4	2	2nd Jan.	q. 1	5.12	F. N. Burt Company, com	88	67	72½	70	88	72	78	Jan. 31					85	80	81½	78	81½	59
	1,975,200			7	7	7	3½	2nd Jan.	q. 1¾	7.86	" " " pref.	100	89	75	89	96	86	91	Jan. 18	89	Feb. 15	94		92¼	89	92¾	90	92¾	111
2,500,000	1,250,000	1,209,300	234,164								Canada Bread, com	33	18½	31½	29	30	16½	17	Feb. 6	16	Jan. 16	30							
				7	7	7	5¼	1st Jan.	q. 1¾	8.13	" pref.	92	89½	90¾	90	90	87	86½	Jan. 5	85½	Feb. 13	90							
1,177,500	602,450	301,750	151,553								Canada Machinery																		
13,500,000		7,448,680	2,675,233					16th Feb.	q. 1¼	12.06	Canada Cement, com	32	28	48½	28	73	37¾	69⅞	Jan. 4	56½	Feb. 3	48	47½	60¼	60⅛	61	59	60⅛	922
	10,500,000			7	7	7	3½	16th Feb.	q. 3	13.00	" " pref.	93	98½	98½	89¾	98	86	95¾	Jan. 6	90	Feb. 3		92	92¼	91½	92	91	92	318
3,975,000		9,072,698	1,573,798	4	2			2nd June '14	s. 2d	13 33	Canadian Car and Foundry, com	70	48	120	50	75	32	46½	Jan. 4	25¼	Jan. 19	75	73	30	28½	29½	26	28¾	736
	7,000,000			7	5¼			1st Apr. '16	q. 1¾	10.00	" " " pref.	109½	98	127	98	94	61¾	89	Jan. 3	59	Jan. 19	98		71½	70	74	69¾	71	221
1,733,500		399,000	202,290	4	4	1	1	22nd Dec.	q. ½	5.00	Canadian Converters	40	34	34	34	46	34	40	Jan. 20	40	Jan. 20	34			40	40	39	39	30
2,715,500		4,811,000	1,437,926	6	6	6		22nd Dec.	q. 1	7.54	Canadian Cottons, Limited com	39	24	40	24	65	39	56	Jan. 3	51	Feb. 5	40	38¼						
	3,661,500						14½	22nd Dec.	q. 1¾	7.67	Canadian Cottons, Limited, pref	79	70½	77	71	82⅛	75½	82	Jan. 19	78	Jan. 5	76½	74		78	78	78	78	20
1,600,000	1,500,000		697,836	6	6	6	3	15th Dec.	s. 3		Canadian Fairbanks-Morse, pref.	92	92	95	95														
960,000		151,900	895,316			10	12	15th Feb.	q. 3	6.66	Canadian Foundries & Forgings, co					217	170	205	Jan. 4	180	Feb. 1								
	960,000			7	7+3½	7		15th Feb.	q. 1¾		" " pref					90	85									179¾	176	176	125
2,000,000	1,500,000	1,545,000	142,807								Canadian Locomotive Co., com	45	30	64⅛	30	64⅛	51	58	Jan. 2	52⅛	Feb. 3	62		58	54	54⅛	54	54	40
				7	7	7	5¼	1st Jan.	q. 1¾	7.77	" " pref.	*90½	85	90	78	99	81	90	Feb. 9	84	Feb. 8		86	90	88	89	88¾	89	20
2,805,500		5,097,000	2,862,397	4	4			15th Oct. '15	q. 1	4.08	Can. Consolidated Rubber, com	91	91	91	91	91	84	97½	Jan. 30			91							
	3,000,000			7	8¾	7	5¼	1st Jan.'17	q. 1¾		" " pref.	*97	96½	101	100	97	91	96	Jan. 6	96	Jan. 6								
8,000,000		1,367,751	3,707,119	7	7	7	5¼	1st Jan.	q. 1¾	6.42	Canadian General Electric, com	114⅞	90¼	128	90¼	121	108	115½	Jan. 24	108½	Feb. 6	111	110	110	109	109	108¾	108¾	65
	2,000,000			7+1	7	7	3½	1st Apr.	s. 3½	6.60	" " pref			110½	110	112	110	106	Feb. 1	94½	Jan. 31								
1,200,000		500,000	353,391								Carriage Factories, Limited, com			53½	35½	44	29¾	25	Jan. 13	15	Feb. 14	40½	40½		15	15	15	15	60
	1,200,000				3½			15th July '15	q. 1¾		" " pref.			81	75	75	60												
565000		65,918	96,839	7	8	8	6	3rd Jan.	q. 2	9.09	City Dairy, com	102	98	100	98	98	89					98							
	700,000			7	7	7	5¼	3rd Jan.	q. 1¾	7.21	" pref.	101¾	98	102	98	100½	92												
6 500,000			749,100	8	7¼	5¾+3	4	15th Feb.	q. 2	5.71	Dominion Bridge Co.	122½	107	230	107	231½	160	170	Jan. 4	130	Feb. 3	222	221¾		140	140	140	140	85
752,200		1,878,000	180,813	6	3	1p	p	1st Apr. '14	q. 1½		Dominion Canners, com	68⅞	27½	35	31	22	15	23	Feb. 7	19	Jan. 3	31							
	2,290,600			7	7	7	1¾p	1st Apr. '15	q. 1¾	10.76	" " pref.	96	80			65	61⅛	65	Feb. 3										
32,097,700	7,000,000	25,669,076	6,784,844	4	1	p	p	2nd Jan. '14	q. 1	6.66	Dominion Steel Corporation, com	41⅞	19⅞	51	19⅞	82	43	71¼	Jan 4	52¾	Feb. 3	44⅞		62¾	62½	62½	59⅝	62	4,777
	5,000,000	14,286,106		7	3½p	p	7	2nd Oct.'16	q. 3½		Dominion Iron and Steel, pref.	*94	68	96	71	105	90	95	Jan. 3	91	Feb. 14	100		92	92	92	92		5
15000,000	3,000,000	6,482,500		7	7	7	3½	1st Feb.	s. 3½	7.36	Dominion Coal, pref	106	97½	101	98	99	93	96½	Jan. 22	93½	Jan. 23	101							
5,000,000		3,697,775	881,926	6	6	6	4½	31st Dec.	q. 1½	7.50	Dominion Textile, com	86½	60	77	64	90½	74½	82	Jan. 6	76½	Feb. 3	77½	77	82	79⅛	80½	79½	80	65
	25,975			7	7	7	5¼	31st Dec.	q. 1¾	6.79	" " pref.	106½	100	103	101	105	101	104	Feb. 8	102½	Jan. 9			104		103½	103	103½	13
1,750,500		1,200,000	331,136								Goodwins, Limited, com	28	*23	28	26	40	40					26							
	1,250,000			7	7	5¼d		25th July '14	q. 1¾		" " pref	*82	74			75	40					75							
747,500		285,000	799,367	6	6	6	3	2nd Jan.	q. 1½		Goulds Manufacturing Co., com	97¾	97¾																
	747,500			7	7	7	6	2nd Jan.	q. 1¾		" " pref.																		
40,000,000		8,643,000	25,072								Lake Superior Corporation	22⅛	6⅝	9⅞	9⅞														
2,100,000		900,000	935,994	10	8	8	4	1st Dec.	q. 2	6.46	Lake of Woods Milling Co., com	135	127	137	129	136¼	122	130	Jan. 2	125	Feb. 8	135½			123	126	126	126	37
	1,500,000			7	7	7	3½	1st Dec.	q. 1¾	6 03	" " pref	120	120	122	120	129	116	116	Jan. 31										
9,600,000		753,807	701,624	8	8	8	6	2nd Jan.	q. 2	4.34	Laurentide	192¾	160	198	160	217½	176	195	Jan. 5	176	Feb. 3								
1,750,000		1,130,500	82,830		2½						Lyall Construction Co., com					93	25	69	Jan. 4	65	Jan. 15				65	65	65	65	2
	1,300,000										" " pref																		
3,000,000	1,766,800	200,000	247,710								A. Macdonald Co. com.	21¾	8	14	7	19⅛	10	14½	Feb. 9	8	Jan. 5	10	9	14	13	14	13⅛	14	220
2,500,000			1,034				6	18th Jan.	q. 2	8.42	Maple Leaf Milling, com	47⅞	25	68	30½	122	100	103	Jan. 6	9(	Feb. 3		73						
	2,500,000			7	7	7	5¼	18th Jan.	q. 1¾	7.36	" " pref.	101	98	98	88	108	93	103	Feb. 10	9.	Jan. 19	98		95½	94½	95½	95	95	40
2,949,600		856,664	2,170,170	4	4	4	2	15th Dec.	q. 1	7.69	Montreal Cottons, Ltd., com	58	56	56	51	63	50	58½	Jan. 4	50¼	Feb. 6				52	54	50	54	63
	3,000,000			7	7	7	3½	15th Dec.	q. 1¾	6 79	" " pref.	103	97¼	100½	99	115	99	103	Jan. 24	102	Jan. 4				102	102	102	102	10
1,275,000			194,889	6				1st Nov.'13	q. 1½	15.00	Monarch Knitting Co., com	40	25	27	25	40	25⅛	40	Jan. 2	35	Jan. 3		25⅛	42	40	40	40	40	150
	750,000			7	7	7	3½	1st Feb.	q. 1¾	8.64	" " pref	90	82	82	82	83	80	81	Jan. 10	80	Jan. 2			80	78	80	80	80	5
6,000,00		9,833,309	2,110,609	6	4½			15th July '14	q. 1½	5.82	Nova Scotia Steel, com	79	39	107	45¾	154⅛	93¼	128	Jan. 4	91	Feb. 3	98	96	109½	107½	110	100	109½	670
	1,030,000			8	6	12	2	15th Jan.	q. 2 p	7.14	" " pref.	120	110	125	110	115	110	112	Jan. 4	112	Jan. 4	110							
2,500,000		2,350,000	512,061	8	8	8	6	2nd Jan.	q. 2	5.76	Ogilvie Flour, com.	123	107	144	107	152	127⅞	142	Jan. 15	137½	Feb. 12	140	133		138	138	138	138	25
	2,000,000			7	7	7	3½	1st Dec.	q. 1¾	6.30	" pref.	117	105	120	113	116	44½	115	Jan. 19	111	Feb. 6				111	111	111	111	4
750,000		600,000	78,039								Ont. Steel Products, com					45	19	34	Jan. 4	25	Feb. 6								
	750,000					3	7	15th Feb.	q. 1¾	9.09	" " pref					91½	73												
650,000			42,472	2	2	2	2	2nd Jan.	s. 1	6.66	Pacific-Burt Co., com	32	*28	31	28	29	20	30	Feb. 10	28	Jan. 9			35	30	30¾	30¾	30¾	1
	650,000			7	7	7	2½	2nd Jan.	q. 1¾	8.64	" " pref	85	82½	85	80	83¾	77¼	81	Feb. 14	80	Jan. 3	83			86	81	81	81	2
2,150,600		2,000,000	1,719,899	4	4	4	2	15th Feb.	q. 1		Penmans, Limited, com	55½	48	62	49	78	60	71	Jan. 4	70	Jan. 8		62		70	70	70	70	25
	1,075,000			6	6	6	3	1st Feb.	q. 1½	7.22	" " pref	84¼	79½	83	82	90	82	85	Jan. 6	81½	Jan. 30	82			85	85	85	85	10
5,000,000		5 804,862	2 100,240								Price Bros	60	70			132	60½	120	Jan. 5			60							
4,500,000	1,000,000	1,533,000	375 634	7	7	7	3½	15th Feb.	q. 1¾	6.17	Riordan Pulp and Paper, com					150	59	127	Jan. 3	106	Feb. 3			118¾	118	119	112	118¾	516
1,500,000			688,499	12	12	8	6	1st Jan.	q. 1½	7.50	William A. Rogers, Ltd., com	147	96	103	96	99	85	80	Feb. 15	76	Feb. 19	95		78	74	74	74	74	1
	900,000			7	7	7	7	2nd Jan.	q. 1¾	7.69	" " pref.	106	99	99	99	99	87	92	Jan. 4	90	Feb. 14	99		93	90	90	90	90	23
800,000			Def. 703,364	1½				1st Feb.'13	q. 1½	8.53	Russell Motor Car, com	20	5	50	10	114	32	92	Jan. 4	70	Feb. 3		33	+2	80	80	78	80	62
	1,200,000			5¼				1st Aug.'13	q. 1¾	6.60	" " pref	49	25	76	25	139	66	115	Jan. 14	100	Jan. 15		66	112¾	112	112½	106	112½	287
1,500,000		691,200	39,245								Sawyer-Massey Co., com	30	25	33	25	30	20					27½							
	1,500,000			7	3½			2nd June '14	q. 1¾	7.78	" " pref	88	69	76	69	134½	88					74½							
4,000,000		1,950,000	1,080,988								Sherwin-Williams, com	60¼	53	57½	55	99½	53¼	59	Jan. 8	56	Feb. 5								
	3,000,000			7	7	7	3½	15th Dec.	q. 1¾	7.00	" pref	104	97	100	98¾	100	97½	100	Jan. 6	98	Jan. 11								
8,750,00			450,597	6	6	6	4½	1st Jan.	q. 1½	4.41	Shredded Wheat, com	90¾	78	102	92	140½	102¼	136	Feb. 13						100	100	100	100	5
	1,250,000			6	6	6	4½	1st Apr.	q. 1½		" pref	*94	*92½	99	93	120	95								95	95	95	95	10
1,718,600			417,716	5	2½p			1st Apr. '14	q. 1¼	10.00	Smart-Woods, Ltd., com	20	18	15	20	65	33	55	Jan. 12	50	Jan. 12								
	1,547,000			7	5¼p		5¼	31st Dec.	q. 1¾	6.93	" pref			45	20	101	84												
8,000,000		5,332,113	226,860								Spanish River Pulp Mills, com	16¾	9	9⅛	3	24⅛	3⅛	19	Jan. 4	13	Feb. 2	5	3	16½	15½	16⅛	15¾	16⅛	235
	5,699,100			3½P				15th July'13	q. 1¾	13.20	" pref	*51	31	35	35	70	29	59½	Jan. 11	51¾	Feb. 5	35		56	54	53	53	53	110
11,500,000		10,050,000	4,272,453								Steel Co. of Canada, com	20	11	48	8½	88¼	34¾	71½	Jan. 4	52	Feb. 3	39¾		62	61½	62½	58	61¾	3,546
	6,496,300			7	3½p	7	5¼	1st Feb.	q. 1¾	7.44	" " pref	87⅞	69	95	69	107¼	82½	100½	Jan. 2	94	Feb. 3			95	93¾	94	93½	94	120
650,000											Tooke Bros., com	26	15	18	16	25	16						87½						
	985,000		71,518	7	7	3½	1½p	30th Nov.	q. 1¾	9.33	" pref	81	75			83	78	79	Jan. 4	79	Jan. 11								
750,000		500,000	120,673	1,88	6¾	1½p		2nd Jan.	s. 2	5.40	Toronto Paper Co	61	30	45	25	96	44	74	Jan. 23	72	Jan. 16		46						
2,500,000			218,962								Tuckett Tobacco, com	47	29	29¾	29	25	23½	22½	Jan. 18	20	Feb. 7	29							
	2,000,000			7	7	7	5¼	16th Jan.	q. 1¾	8.53	" " pref.	101	90¼	90	90	90	75	83½	Jan. 18	81½	Feb. 6	90							
5,000,000		3,500,000	691,225								Wayagamack com	32⅜	21	26½	26			95	Jan. 11	82	Feb. 12				83	84½	82	84½	105

NOTE—s—means semi-annually; q—quarterly; I—interim; L—Profit and loss; +—indicates bonus; b—means bond; p—preferred stock; d—debentures; *—less than ten shares; sb—stock bonus; A—$500 per share return of capital paid February 1st, September 25th, 1912; Feb. 1st and Nov. 17th, 1913, and December 1, 1914.

LOAN, INSURANCE AND FINANCIAL STOCKS AND MISCELLANEOUS

Common Stock outstanding	Bonds, Preferred Stock or D'b'ntures Outstanding and Int.	Reserve and Contingent P. & L.	Dividends 1916	Last Dividend Date	Per cent.	LOAN AND TRUST	Range for Year 1915 High	Low	Range for year 1916 High	Low	Latest Price Ask	Bid	Last Sale
1,205,000	4,122,853	1,244,392	9	1st Jan.	q. 2¼	Canada Landed	162	157½	163	157½		159	159
6,000,000	20,905,085	5,195,652	10	1st Jan.	q. 2½	Canada Permanent	188	183	183	168½		170	171½
1,750,000	6,225,000	1,773,242	10	2nd Jan.	q. 2½	Central Canada	190	190			190		
2,462,867	725,667	403,966	6	31st Dec.	s. 3	Col. Investment, pref.	83	78	76	70		75	77
934,395	1,062,481	240,929	5	2nd July '15	s. 2½	Dominion Savings	81	81	80	80		81	78
2,410,925	2,458,069	685,002	8	2nd July '15	s. 4½	Great West Per.							89½
1,200,000	2,598,876	1,014,033	8	31st Dec.	s. 4	Hamilton Provident	140½	135	140	138		141	141
3,458,414	11,516,497	2,940,662	12	31st Dec.	q. 3	Huron and Erie	211	209	214	209		209	210½
978,500	1,914,623	728,163	8	31st Dec.	s. 4	Landed Banking	147	147	145	144		145	147
1,250,000	3,112,314	748,734	8	2nd Jan.	q. 2	London and Can. Loan	136	131	135	132		134	132
882,889	1,761,804	341,690	1½+8	1st Jan.	q. 1½	London Loan and Sav							
600,000	275,170	705,277	10	2nd Jan.	q. 2½	Montreal L. & Mtg. Co.	176	165	175	160			165
1,500,000	6,986,333	1,573,560	10	31st Dec.	q. 2½	National Trust	233	233	210	210	223		210
1,750,000	4,457,590	1,800,012	9	31st Dec.	q. 2¼	Ont. Loan and Deb.	173	179	175	169		175	160
500,000	655,690	226,408	7	31st Dec.	s. 3½	Real Estate Loan							103
1,500,000	32,104,288	1,848,813	10	31st Dec.	q. 2½	Toronto Gen. Trusts	210	291½	212	208½		211	214½
724,550	88719 25	527,834	8	31st Dec.	q. 2	Toronto Mortgage Co.	138	128	140	134		140	130
1,000,000	1,344,920	937,661	5	1st Jan.	q. 2½	Toronto Savings							185
1,000,000	7,00,1000	991,336	10	30th Dec.	q. 2½	Union Trust							178
1,000,000		5 946.27	4	1st Apr.	s. 4	Canada Life Assurance							170

Common Stock Outstanding	Bonds, Preferred Stock or D'b'ntures Outstanding	Reserve and Contingent P. & L.	Dividends 1916	Last Dividend Date	Per cent.	MISCELLANEOUS COMPANIES	Range for year 1915 High	Low	Range for Year 1916 High	Low	Latest Price Ask	Bid
1,500,000		1,894,479	5	1st Oct	s. 5	Canadian N. Prairie Lands						
800,000	300,000	395,959	p	1st Oct. '15	q. 2	Canadian Salt	115	110	140	124	135	120
59,135		1,752,420	5	13th Mar.	5	Can North-West Land						
		2,390,163	20	30th Dec.	q. 5	Confederation Life A.			350	330	335	320
6,212,667		531,499	6	1st June	1½	Crows Nest Pass Coal	100	100	83	71	80	
1,000,000		291,961	6	15th Jan.	q. 1½	Dominion Telegraph			90	86		90
3,000,000	3,984,500	77,642				Electrical Dev., pref.						
450,000	p2,909,000	1,458,082	10	1st Jan.	q. 2½	Imperial Life Assur.						
500,000	b 232,000		p	1st Mar. '12	s. 2	Intercolonial Coal						
	p 219,700	797,531	p	1st Mar. '12	s. 3½	Intercolonial Coal, pref						
3,000,000		513,930		1st Mar. '14	1	Intern. Coal and Coke						
2,196,000	2,000,000	421,140	6	15th Jan.	q. 1½	Kaministiquia Power						
556,000	b 666,000	109,976	8	3rd Jan.	s. 3	London Street						
2,000,000		118,225	8	3rd Jan.	q. 2	Montreal Telegraph			136	135		135
925,000	b1,123,000	248,379				Nia., St. Kath. and Tor.						
1,000,000	b1,250,000	176,188				Saint John Ry.						
1,164,000	b 756,500	199,996		10th July '15	q. 1½	Trinidad Electric	105	100				
2,124,700	1,598,057	375,484	8	15th Dec.	q. 2	W. Can. Flour Mills	80	80	118½	102		
800,000	b 680,000	541,374	5	1st Jan.	q. 1¼	West India Electric						

NOTE—s—means semi-annually; q—quarterly; I—interim; L—Profit and loss; +—indicates bonus; b—means bond; p—preferred stock; d—debentures; *—less than ten shares; sb—stock bonus; A—$500 per share return of capital paid February 1st, September 25th, 1912; Feb. 1st and Nov. 17th, 1913, and December 1, 1914.

A Large Established Farm Mortgage Loan Company seeks additional loaning connections in Alberta and Saskatchewan.

Supervisor of Western offices will make appointments for personal interviews in February and March.

Address inquiries with full particulars to

"K. N. R., The Financial Post, Toronto, Ontario"

The Mercantile Agency
R. G. DUN & CO.

Consult us before extending credit or if customers are delinquent.

Canadian Offices:

Halifax, St. John, Quebec, Montreal, Ottawa, Toronto, Hamilton, London, Winnipeg, Regina, Moose Jaw, Saskatoon, Calgary, Edmonton, Lethbridge, Vancouver, Victoria.

Address enquiries to

R. G. DUN & CO.

Dominion Bank Bldg. Toronto, Ca

Geo. O. Merson & Co.
Chartered Accountants.
807 Lumsden Bldg., Toronto

DIVIDENDS DECLARED.

The Canadian Bank of Commerce

DIVIDEND NO. 120

NOTICE is hereby given that a quarterly dividend of 2½ per cent., upon the capital stock of this Bank has been declared for the three months ending 28th February next, and that the same will be payable at the Bank and its Branches on and after Thursday, 1st March 1917, to shareholders of record at the close of business on the 14th day of February 1917.

By Order of the Board,

JOHN AIRD,
General Manager.

Toronto, 19th January, 1917.

The Royal Bank of Canada

DIVIDEND No. 118

NOTICE is hereby given that a DIVIDEND OF THREE PER CENT. (being at the rate of Twelve per cent. per annum) upon the Paid-up Capital Stock of this Bank, has been declared for the current quarter, and will be payable at the Bank and its Branches on and after THURSDAY, the FIRST DAY OF MARCH next, to Shareholders of record of 15th February.

By order of the Board.

C. E. NEILL,
General Manager.

Montreal, P.Q., January 16, 1917.

Bank of Montreal

NOTICE is hereby given that a DIVIDEND OF TWO-AND-ONE-HALF PER CENT., upon the paid-up Capital Stock of this Institution, has been declared for the current quarter, payable on and after Thursday, the FIRST DAY OF MARCH next, to Shareholders of record of 31st January, 1917.

By order of the Board.

FREDERICK WILLIAMS-TAYLOR,
General Manager.

Montreal, 23rd January, 1917.

The Bank of Nova Scotia

DIVIDEND NO. 189.

NOTICE is hereby given that a Dividend at the rate of Fourteen per cent. per annum on the paid-up Capital Stock of this Bank has been declared for the quarter ending March 31st, and that the same will be payable on and after Monday, the 2nd day of April next, at any of the offices of the Bank.

The Stock Transfer Book will be closed from the 17th to the 31st proximo, inclusive.

By order of the Board,

H. A. RICHARDSON,
General Manager.

Halifax, N.S., February 16th, 1917.

Dominion Glass Company, Limited

DIVIDEND NOTICE.

NOTICE is hereby given that a quarterly dividend of one and three-quarters per cent. (1¾%) has been declared on the Preferred Stock of Dominion Glass Company, Limited, for the three months ending the twelfth day of March, 1917, payable Monday, the second day of April, 1917, to shareholders of record at the close of business Monday, the twelfth day of March, 1917.

By order of the Board,

MERVYN OFFER,
Secretary.

Montreal, [illegible] February,

LACK OF CAPITAL IS CHIEF CAUSE WHY MEN FAIL

In United States, However, This Ranks Second to Incompetence.

BEST SHOWING SINCE 1912

Fewer Failures in Canada in 1916 Than in 1913—Analysis of Causes, Assets, Liabilities, Etc.—Canada and U.S. Compared.

It is gratifying for Canadian investors to learn, although not unexpected in view of the wonderful improvement in business conditions in this country, that the total failures for the past year showed a decrease as compared with the year 1915 of 32.5 per cent., and a decrease of 38 per cent. when compared with 1914. More encouraging even than this, and unexpected to most of us, is the fact that the year 1916 makes a better showing than 1913, by 3 per cent.

That this country from the point of view of failures, has reached a sounder condition than in 1913, in spite of the war, becomes all the more significant when we compare the figures of the United States. There, with war conditions that never dropped to the level that they did in Canada in the first few months, the decrease in failures for 1916 over 1915 was 13.3 per cent., and of 1916 over 1914, 1.6 per cent. As compared with 1913, however, the United States had an increase in failures of 13.3 per cent., while Canada's decreased.

Less Than 1 in Every 100 Fail.

From another standpoint the figures are interesting. According to Bradstreet's, to whom we are indebted for the statistics in this article, the Business Death Rate fell to 92-100 of 1 per cent. last year, compared with 1.07 per cent. in 1915, and 95-100 in 1914. That is, out of every 10.000 in business in Canada last year, 92 failed, compared with 107 in 1915 and 95 in 1914. This is a heavy toll, however, the highest of any year since 1908, the "Picnic" year, and we have to go back ten years more to equal it. Still, the worst record was 1.5 per cent., a fact which proves that the ancient tradition that the larger number entering business life are doomed to failure ultimately, lacks a well-founded statistical basis. It should be pointed out that the statistics used in these conclusions define a failure as one that involves loss to creditors, and does not include many cases involving physicians, actors, real estate men, etc., where others were not concerned.

Personal Shortcomings lead.

While there is abundant reason for congratulations from a comparative point of view, there are many elements involved in these "mortuary" statistics that call for grave consideration.

Why do men fail? Bradstreet's have made a double grouping of causes, the first dealing with the faults of the men who fail, and the other, external reasons. These two classes are divided as follows:—

A.—FAULTS OF THOSE FAILING—
- Incompetence,
- Inexperience,
- Lack of capital,
- Unwise credits,
- Speculation (outside regular business),
- Neglect of business (due to doubtful habits),
- Personal extravagance,
- Fraudulent disposition of property.

B.—NOT DUE TO FAULTS OF THOSE FAILING—
- Specific conditions (disaster, war, floods),
- Failures of others of apparently solvent debtors),
- Competition.

As between Canada and the United States in the matter of causes of failure, there is a curious difference. In the former case, Lack of Capital is by far the most fruitful of the personal reasons; in the States, Incompetence stands at the top. Lack of Capital in Canada was responsible for 38.8 per cent. of the failures in 1916, last year and 17.9 in 1915. In the United States, Incompetence claimed 33.2 per cent. of the total in 1916, and 29 per cent. in 1915, while Lack of Capital was only 30.3 in 1916 and 27.5 in 1915. However, this is not the old record across the border. In 1914 and 1913, Lack of Capital stood first, as it had every year before except in 1912. Indeed, it rose as high as 39.2 per cent. in one year.

War Conditions Caused 30 Per Cent.

While Lack of Capital was the leading cause of failure in Canada last year, as might have been expected, the war itself was the leader in the preceding year. In 1915, Lack of Capital was only 30.3 per cent., while "specific conditions" rose to 35.9 per cent. In 1916 the latter had fallen again to 30.1, as compared with 24.4 in 1914.

Inexperience, which ranks close to Incompetence, was responsible for 3.4 per cent. in 1916, while in the United States it was the cause of 6 per cent. The only other fruitful cause of failure in either country is Fraud, on the part of others, which caused 7.5 per cent. in Canada, and 6.6 across the border. Competition stands surprisingly low in Canada, 2 per cent., or 1-500, compared with 4.2 per cent. in the States. Neglect is credited with 1.9 per cent. in Canada, as against 1.4 per cent. the year before, and 2.4 and 1.9 per cent. in the United States for the two years.

Individual Cause, 71 Per Cent.

To sum up the causes of failure: In Canada, the individual was charged with 71 per cent. of the responsibility compared with 64.7 per cent. the previous year, but 73.4 in 1914, a much smaller record than in the States, where the percentages were 79.5 and 74.4 respectively, for 1916 and 1915.

95 Per Cent. Less Than $5,000 Capital

Lack of Capital as a cause is worth a closer study. No separate figures are available at the moment for Canada, but as Bradstreet's remarks, "If any confirmation were needed of the idea that the small trader's path was a dangerous one in 1916, it would be afforded by the returns of capital employed by those who failed. Of 18,268 failures in the two countries in that year, 17,372, or exactly 95 per cent., had a capital of $5,000 or less. Search through the record of twenty-six past years fails to reveal so high a percentage as this, the nearest approach to it being in 1900, when the proportion was 94.2 per cent. The proportions failing with larger capital naturally showed a shinkage from 1915 and all preceding periods.

97 Per Cent. Poor Ratings.

As regards credit ratings, it is shown that 17,843, or 97.7 per cent. of the 18,268 failing in the United States and Canada, had Very Moderate or No Credit ratings, as against 96.4 per cent. in 1915, the latter being the highest percentage recorded up to that year. Of those failing in the two countries, 63.1 per cent. had less than $5,000 of liabilities, the highest percentage recorded since 1905, when it was 65.2, and comparing with 58.4 per cent. in 1915 and 55.2 in 1914, the latter the lowest proportion in twenty-five years.

In respect to liabilities, those in Canada were less than one-half the total of 1915, being $15,767,175, compared with $32,380,501. In the United States the liabilities for 1916 showed a drop of 38.3 per cent. from 1915, and were less than half those of 1914, and indeed the smallest of any years since 1909.

Four tables are reproduced here which will repay a close study.

Bradstreet's concludes that "business life is safer to-day than it ever has been," that credit granting based upon more careful credit reporting is more discriminating, that other important improvements have been made in crop and business reporting, as well as in commercial communication and in transportation, and that more care is exercised to prevent solvent debtors from entering bankruptcy."

FAILURES IN THE UNITED STATES AND CANADA,

CLASSIFIED ACCORDING TO CREDIT RATINGS, TO LIABILITIES AND TO CAPITAL EMPLOYED.

	1916		1915		1914		1913	
	No.	P. ct.	No.	P. ct.	No.	P. ct.	No.	P. ct.
Credit Ratings of those who failed.								
Total number failures U. S. and Canada	18,268	100.	21,661	100.	19,659	100.	16,378	100.
Number failing which had Very Moderate or No Credit rating	17,843	97.7	20,890	96.4	18,789	95.6	15,533	94.8
Number failing rated in Good Credit	395	2.1	689	3.2	752	3.8	783	4.4
Number failing rated in Very Good Credit or higher	30	.2	82	.4	118	6	122	.8
Liabilities of those who failed.								
Total number failures U. S. and Canada	18,268	100.	21,661	100.	19,659	100.	16,378	100.
Total with less than $5,000 liabilities	11,520	63.1	12,640	58.4	10,851	55.2	9,287	56.7
Total with $5,000 liabilities and over	6,748	36.9	9,021	41.6	8,808	44.8	7,091	43.3
Total with $5,000 to $20,000 liabilities	5,144	28.2	6,676	30.8	6,380	32.5	5,143	31.4
Total with $20,000 to $50,000 liabilities	1,094	6.	1,535	7.1	1,511	7.7	1,203	7.3
Total with $50,000 to $100,000 liabilities	294	1.6	455	2.1	481	2.4	409	2.5
Total with $100,000 to $500,000 liabilities	196	1.	317	1.4	352	1.8	295	1.8
Total with $500,000 liabilities and over	20	.1	38	.2	84	.4	41	.3
Total with $1,000,000 liabilities and over	5	.03	16	.07	52	.3	24	.1
Capital employed by those who failed.								
Total number failures U. S. and Canada	18,268	100.	21,661	100.	19,659	100.	16,378	100.
Total with $5,000 capital or less	17,372	95.	20,251	93.5	18,064	91.9	15,042	91.8
Total with over $5,000 and less than $20,000	712	3.9	1,046	4.8	1,175	6.	933	5.7
Total with $20,000 and less than $50,000	126	.7	232	1.1	252	1.3	256	1.6
Total with $50,000 and less than $100,000	33	.2	69	.3	72	.4	76	.5
Total with $100,000 and less than $500,000	24	.1	61	.3	83	.4	59	.3
Total with $500,000 and over	1	.005	2	.01	13	.06	12	.07
Total with $1,000,000 and over	1	.005	2	.01	6	.03	4	.02

SUMMARY—UNITED STATES.

Failures due to	Number		Assets		Liabilities	
	1916	1915	1916	1915	1916	1915
Incompetence	5,486	5,689	$18,727,522	$24,754,230	$39,268,997	$49,237,492
Inexperience	990	1,057	3,784,910	3,380,950	7,387,618	6,777,646
Lack of capital	4,995	5,229	27,431,650	48,429,359	58,223,655	80,699,933
Unwise credits	308	448	2,270,465	6,702,516	3,882,151	10,993,425
Failures of others	146	187	3,945,228	17,072,071	6,540,905	26,184,034
Extravagance	108	119	517,323	817,793	1,597,527	1,758,944
Neglect	396	350	934,749	1,427,469	2,895,608	2,831,286
Competition	701	1,082	2,170,347	4,273,106	4,672,317	9,345,842
Specific conditions	2,206	3,603	16,640,317	43,178,898	29,761,361	70,206,329
Speculation	59	80	3,331,066	1,937,427	5,849,093	6,335,582
Fraud	1,101	1,191	6,317,533	8,794,140	15,152,926	19,756,616
Total	16,496	19,035	$86,071,050	$160,767,959	$175,232,158	$284,127,129

SUMMARY—DOMINION OF CANADA, NEWFOUNDLAND AND ST. PIERRE AND MIQUELON.

Failures due to	Number		Assets		Liabilities	
	1916	1915	1916	1915	1916	1915
Incompetence	238	470	$713,555	$1,424,010	$1,751,840	$4,065,450
Inexperience	60	94	144,039	365,312	365,744	951,844
Lack of capital	689	796	2,368,147	4,575,240	6,146,253	10,145,325
Unwise credits	28	48	61,562	460,965	159,590	926,357
Failures of others	10	41	153,825	408,400	340,985	1,023,377
Extravagance	10	12	23,671	24,120	72,054	58,526
Neglect	34	37	134,273	86,085	258,870	221,551
Competition	3	4	12,014	3,300	16,412	7,075
Specific conditions	533	942	1,694,281	5,739,550	3,652,750	11,212,850
Speculation	35	32	842,778	752,520	2,162,716	1,581,008
Fraud	132	150	232,543	515,190	819,961	2,187,138
Total	1,772	2,626	$6,380,688	$14,354,692	$15,747,175	$32,380,501

PERCENTAGES OF NUMBER OF FAILURES AND LIABILITIES

IN THE UNITED STATES AND CANADA IN 1916 AND 1915, CLASSIFIED AS TO CAUSES.

Failures due to	United States, Per Ct.				Canada, Per Cent.			
	Number		*Liabilities*		*Number*		*Liabilities*	
	1916	1915	1916	1915	1916	1915	1916	1915
Incompetence	33.2	29.9	21.8	17.3	13.4	17.9	11.0	12.5
Inexperience	6.0	5.4	4.4	2.4	3.4	3.6	2.3	2.9
Lack of capital	30.3	27.5	31.9	28.4	38.9	30.3	39.0	31.3
Unwise credits	1.9	2.4	2.6	3.9	1.6	1.8	1.0	2.9
Failures of others	.9	1.0	4.6	9.2	.5	1.6	2.2	3.2
Extravagance	.6	.6	.6	.6	.5	.5	.5	.2
Neglect	2.4	1.9	1.0	1.0	1.9	1.4	1.7	.7
Competition	4.2	5.7	2.5	3.3	.2	.1	.1	.02
Specific conditions	13.4	18.9	19.3	24.7	30.1	35.9	23.3	34.6
Speculation	.4	.4	3.9	2.2	2.0	1.2	13.7	4.9
Fraud	6.7	6.3	7.4	7.0	7.5	5.7	5.2	6.8

These tables from Bradstreet's provide interesting records as to Why Merchants Fail.

A NEW RECORD FOR EARNINGS OF BELL 'PHONE

The Profits Were 13.72 Per Cent. on the Common Stock.

BIG MARGIN ON DIVIDEND

Showing Was 10.61 Per Cent. as Compared With 9.2 Per Cent. Last Year and 8 Per Cent. Paid.

The net earnings of the Bell Telephone Company of Canada, as reported at the annual meeting held at Montreal, on Thursday, were the largest in the history of the company. They amounted to $2,469,243 before making deductions for interest and dividend, or 13.72 per cent. on the $18,000,000 common stock of the company. As compared with the net earnings for 1915, this is an increase of $247,258. Following is a statement for the year, and a comparison with those of the previous year:

	1916	1915
Gross earnings	$10,375,319	$9,634,674
Operating exps.	3,718,423	3,370,206
Current maint.	1,549,939	1,587,058
Depreciation	2,310,000	2,170,000
Taxes	327,713	282,424
	$ 7,906,076	$7,412,689
Net earnings	2,469,243	2,221,985
Interest	558,792	558,136
Balance	$ 1,910,450	$1,663,849
Div. at 8%	1,440,000	1,440,000
Surplus earnings	$ 470,450	$ 223,849

As will be seen, the balance of $1,910,450, available for dividends was 10.61, or 2.61 in excess of the requirements of 8 per cent. paid. This compares with 9.2 available for dividends a year ago.

The operating expenses increased $347,216 to $3,718,422, while the amount written off for depreciation was $2,310,000, as compared with $2,170,000 in 1915.

After the payment of dividends, the surplus stands at $470,000, as compared with $223,848 the previous year, or more than double.

Following is the balance sheet:

ASSETS.	
Real Estate	$ 3,785,805.27
Telephone Plant	33,933,937.38
Furniture, Tools and Supplies	1,124,855.38
Cash	1,612,081.83
Bills and Accts. Receivable.	740,297.47
Investments	3,467,560.72
	$44,664,538.05
LIABILITIES	
Capital Stock Issued	$18,000,000.00
5% Bonds, 1925	11,149,000.00
Accounts Payable	220,981.86
Accrued Liabilities not due.	528,702.04
Unearned Revenue	26,673.72
Replacement and other Res.	13,091,225.22
Surplus	1,647,955.21
	$44,664,538.05

A table appended to the report shows that the total assets of the company have increased from $1,527,503 in 1885 to $42,312,159. The net earnings have increased in the same period from $166,332 to $2,469,243.

An important departure was taken by the company at their meeting, when a by-law was passed authorizing the directors to put in force an employees' pension and benefit plan. This plan contemplates allowances to employees who have been killed or injured or become incapacitated through illness or otherwise in the service of the company, and pensions to those who, after long service, may be retired. The pensions and benefits are graded upon length of service.

The directors were re-elected as follows:—Chairman, C. F. Sise; president, L. B. McFarlane; vice-president, Chas. Cassils; Hugh Paton, Z. A. Lash, K.C.; U. N. Bethell, C. F. Sise, Jr.; Thos. Ahearn, Andrew J. Dawes, F. W. Molson, W. F. Angus, Thos. N. Vail.

STANDARD BANK.

Net Profits for Year Amount to $580,230.

Preliminary figures of the annual statement of the Standard Bank for the fiscal year ending January 31st, 1917, shows net profits after making the usual provision for cost of management, interest, and providing for bad and doubtful debts, etc., amount to $580,230, as compared with net profits of $563,401 for the previous year. The gold and legal tender amounted to $10,762,524, while the quick assets total $22,388,664, being 48.36 per cent. of the deposits. Out of the profits there was paid the usual dividend of 13 per cent. amounting to $398,899; $20,000 to officers' pension fund; $38,900 to patriotic fund; Government tax on circulation of $30,483, and added to the profit and loss account $91,946. The annual report will be submitted to the shareholders at the annual meeting to be held on Wednesday next. A fuller review of the report will be given in next week's issue.

GREAT WEST PERMANENT.

Annual Meeting of Companies to be Heldc Next Week.

To facilitate matters for out-of-town shareholders who wish to attend the meetings of the Great West Permanent Loan Company and its different companies to be held next week, it is understood that the meetings will be held on consecutive days. The meeting of the Great West Permanent will be held on Monday, the Imperial Canadian Trust on Tuesday and on Wednesday the business of the Canada National Fire will be taken up. Some time ago it was announced that an effort would be made to upset the directorate and management. Though officers of the different companies will make no statement on the subject, it is commonly reported that the old board has proxies representing a large majority of the stock in hand enough to safeguard against any drastic changes.

Supplies secured by the War Purchasing Commission during the past year have been so extensive that it is intimated that few new contracts will be awarded for a considerable time. The supply of clothing and equipment on hand is quite adequate to the needs of next season's campaign, while there are millions of yards of cloth ready to be made into uniforms.

AFFAIRS OF MOORE GROUP IN FINE SHAPE.

Continued from page 1.

by Mr. Moore, and A. E. Ames, vice-president. The latter pointed out the earnings for the past five years were about five times those of the average for the last four years before the present organization was formed. At the same time such were the efficient methods of production applied that output had been increased about 60 per cent., and the number of employees considerably increased.

Mr. Moore, in reviewing the statement, called attention to the fact that volume of business had increased 45 per cent. and profits 50 per cent. He explained that this showing had been made in the face of very difficult conditions owing to advancing costs and the margin of profit had only been maintained by careful handling of contracts and the arrangement of adjustments on both new and old business. Dwelling upon the unusual conditions prevailing and pointing out that the business which had developed about 50 per cent. per year, was continuing to grow, and would soon be too large for the capacity of the plant, he referred to the proposal, later passed by the meeting, that the common stock issue be increased to the extent of $750,000, as the developments made such a step necessary in the best interests of the company.

The annual reports were also well received at the annual of the Wm. A. Rogers Company.

Crop prospects in Argentina for current crop year continue unfavorable owing to lack of rains and locust plague. Wheat supply probably little more than one-half of last year, and linseed, an important crop, but about one-quarter normal.

Wm. A. Rogers, Limited

Statement For the Year Ending December 31, 1916

PROFIT AND LOSS ACCOUNT.

Profit and Loss Balance brought forward from 1915		$188,499.51
Net Profits for the year		240,648.84
		$429,148.35
The Appropriations were as follows:		
Dividends on Preferred Stock Nos. 61, 62, 63 and 64	$63,000.00	
Dividends on Common Stock Nos. 57, 58, 59 and 60	90,000.00	
Transferred to Realty and Plant Reserve	50,000.00	
		203,000.00
Balance carried forward to 1917		$226,148.35

BALANCE SHEET, DECEMBER 31ST, 1916.

LIABILITIES.

Capital Stock:		
Preference Stock	$ 900,000.00	
Ordinary Stock	1,500,000.00	
		$2,400,000.00
Reserve Account		300,000.00
Realty and Plant Reserve		75,000.00
Dividends:		
Preference Stock, No. 64, payable Jan. 2nd, 1917	$15,750.00	
Ordinary Stock, No. 60, payable Jan. 2nd, 1917	22,500.00	
		38,250.00
Debts Payable, including all accrued wages and charges		1,067,221.35
Profit and Loss Account—Balance carried forward		226,148.35
		$4,106,619.70

ASSETS.

Realty, Factories, Plant, Trade-marks, Good-will and Investments		$1,951,574.36
Stock-in-trade and Prepaid Charges		1,314,158.74
Accounts and Bills Receivable		595,388.93
Anglo-French Bonds at 95:		
Paid on account $357,600 Bonds	$57,525.83	
Less net income for year	5,904.00	
		51,621.74
Cash at Bankers' and in Hand		193,875.93
		$4,106,619.70

Audited and found correct,
CLARKSON, GORDON & DILWORTH, Chartered Accountants.

EXTRACTS FROM THE PRESIDENT'S ADDRESS.

Mr. S. J. Moore, President of the Company, presided at the sixteenth Annual Meeting of Shareholders, held on the 19th of February, 1917, and reviewed the Company's affairs. The following are some extracts from his address:—

"The profits for the year, amounting to $240,648.84, exceeded those of the previous year by $50,838.39, and the increase is still greater over the operating profits of the year 1914. Much larger profits would have been realized if the Company had not been seriously handicapped in obtaining supplies of metals. In common with most manufacturers we also felt severely the shortage of skilled labor.

"The problems of the year 1916 were quite different from those of 1915. Instead of experiencing a shortage of business, our difficulty was to take care of orders offering. In one important department we were obliged to cease taking orders as early as the month of June, and in all departments had to decline business for several weeks at the end of the year.

"The extra costs of manufacturing and of transacting business, which are common to almost every industry, made it necessary for us to continually increase our selling prices. We believe, however, that the price list as now established will fully absorb the increased costs, so that if the volume of business continues, as now seems likely, the profits for 1917 should be still more satisfactory.

Turning to the balance sheet, you will observe that our fixed Assets increased during the year $89,439.51. This largely represents the cost of the addition to the Hollow Ware Department, to which reference was made at the last meeting. Merchandise inventory is $211,823.39 larger than the inventory of the preceding year, the increase being due entirely to the extra cost of materials and labor.

"The surplus of quick assets over all debts amounts to $1,049,573.90.

"Early in the year a branch office and wareroom was opened in San Francisco, in order to more adequately provide for business on the Pacific Coast. The Directors are pleased with the progress made at this branch, and they expect very satisfactory earnings therefrom."

The following were re-elected Directors of the Company for the ensuing year:—S. J. Moore, Hon. C. H. Duell, Hon. W. C. Ely, Dr. C. W. Colby, Hon. H. S. Duell, W. A. Jameson and W. D. Ross.

The officers were re-elected as follows:—S. J. Moore, President; Hon. C. H. Duell, Vice-President, and E. G. Baker, Secretary.

ANGLINS LIMITED CONTRACTING ENGINEERS MONTREAL
ALL BUILDING WORK, LARGE OR SMALL, RECEIVES OUR BEST ATTENTION

ANGLINS LIMITED

Some of our recent contracts include: Williams Mfg. Co., Loyola College, Toilet Laundry, St. Lawrence Sugar Refinery, Belding Paul Corticelli, Bell Telephone, Canadian Ingersoll-Rand, Canadian Cottons, Penmans Limited, International Mfg. Co.

Our operations have included work in Montreal, Toronto, Ottawa, Quebec, Halifax, St. John, Sherbrooke, Brantford, Cornwall, St. John's, Gananoque, etc.

Estimates, etc., furnished on request.

ESTABLISHED 1849
BRADSTREET'S
Offices Throughout the Civilized World.

We Present a Record—Not a Prospectus.

Reputation gained by years of vigorous, conscientious and successful work.

Thomas C. Irving
General Manager Western Canada
TORONTO

CANADIAN S.K.F. COMPANY, LIMITED.

PUBLIC Notice is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 23rd day of January, 1917, incorporating Allan Harrison MacCaffray, gentleman of the City of Hartford, in the State of Connecticut, one of the United States of America; Percy Oscar Gordon Janes, gentleman; James Daniel Becking, student-at-law, John Sidney Smith, law clerk, and Edmund Almond, bookkeeper, all four of the City of Toronto, in the Province of Ontario, for the following purposes, viz:—(a) To manufacture, purchase, sell, import or export, or otherwise deal in goods, wares and merchandise of any nature and description, particularly ball bearings and machines, apparatus and appliances useful or necessary in connection therewith; to sell, use or otherwise dispose of the same; to act as the agent for others in the purchase, sale or use of the same; (b) To acquire the good will, rights and property, and to undertake the whole or any part of the assets or liabilities of any person, firm, association or corporation, carrying on a business similar in whole or in part to that of this company; to pay for the same in cash, the stock of this corporation, bonds or otherwise, to hold or in any manner dispose of the whole or any part of the property so purchased; to conduct in any manner the whole or any part of any business so acquired, and to exercise all the powers necessary or convenient in and about the conduct and management of such business; (c) To apply for, purchase, or in any manner to acquire, and to hold, own, use and operate, or to sell or in any manner dispose of, and to grant license or other rights in respect of, and in any manner deal with, any and all rights, inventions, improvements and processes used in connection with or secured under letters patent or copyrights of the Dominion of Canada or other countries, or otherwise, and to work, operate or develop the same, and to carry on any business, manufacturing or otherwise which may be deemed directly or indirectly to effectuate these objects or any of them; (d) To guarantee, purchase, hold, sell, assign, transfer or otherwise dispose of, the shares of the capital stock of, or any bonds, securities or evidences of indebtedness isued or created by any other corporation or corporations, country, nation or government, and while owner of said stock may exercise all the rights, powers and privileges of ownership, including the right to vote thereon, to the same extent as natural persons might or could do; (e) To draw, make, accept, endorse, execute and issue promissory notes, drafts, bills of exchange, warrants and other negotiable or transferable instruments and evidences of indebtedness; (f) To carry on any business similar in character to that expressly provided for herein, or useful for the extension or in the transaction thereof, whether manufacturing, merchandising, mining or otherwise; (g) To establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees of the company (or its predecessors in business) or the dependents or connections of such persons, and to grant pensions and allowances, and to make payments towards insurance and to subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful objects; (h) To promote any company or companies for the purpose of acquiring or taking over all or any of the property and liabilities of the company, or for any other purpose, which may seem directly or indirectly calculated to benefit the company; (i) To sell or dispose of the undertaking of the company or any part thereof for such consideration as the company may think fit, and in particular for shares, debentures or securities of any other company having objects altogether or in part similar to those of the company, if authorized so to do by the vote of a majority in number of the shareholders present or represented by proxy, at a general meeting duly called for considering the matter and holding not less than two-thirds of the issued capital stock of the company; (j) To invest the moneys of the company not immediately required in such manner as may from time to time be determined; (k) To distribute among the shareholders of the company in kind any property of the company, and in particular any shares, debentures or securities in any companies which the company may have power to dispose of; (l) To adopt such means of making known the products of the company as may seem expedient, and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books, pamphlets, and periodicals and by granting prizes, rewards and donations; (m) To do any or all of the things herein set forth as principals, agents, contractors or otherwise, and either alone or in company with others. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Canadian S. K. F. Company, Limited," with a capital stock of fifty thousand dollars divided into 500 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario. Dated at the office of the Secretary of State of Canada, this 24th day of January, 1917.

THOMAS MULVEY,
Under-Secretary of State.

MONEY, BANKING AND EXCHANGE

Bank Clearings for the Dominion Showed a Gain of 21.7 per cent. — Only Two Cities Showed a Decline.

For the week the bank clearing returns reported officially to THE FINANCIAL POST, as compared with the corresponding period last year, showed an increase of 18.2 per cent., which compares favorably with an increase for the previous week of 16.2 per cent. Western cities showed a gain of 13.5 per cent., and Eastern cities a gain of 20.1 per cent. Peterboro and Brandon were the only cities in the Dominion to show a decline. The cities in the West to show the largest gains were: Medicine Hat, 50.6; Moose Jaw, 49.9; Lethbridge, 37.5; New Westminster, 28.3; Vancouver, 26.5; Regina, 19.4; Saskatoon, 17.8, and Fort William, 16.0. In the East, Sherbrooke showed a gain of 60.7; Halifax, 59.0; Ottawa, 28.9; Toronto, 21.4; and St. John, 20.7 per cent. For the year to date the gain was 21.7 per cent. Following are comparative figures:

WEEKLY BANK CLEARINGS.

(In comparison with same week last year)

Eastern Cities.

	Feb. 22, 1917.	Change.	%
Montreal	$ 65,139,044+	$ 9,823,556	17.8
Toronto	48,556,682+	8,564,394	21.4
Ottawa	4,701,999+	1,054,166	28.9
Hamilton	3,791,429+	819,657	27.6
Quebec	2,896,021+	127,598	4.6
Halifax	2,837,784+	1,050,998	59.0
London	1,816,332+	270,388	17.5
St. John	1,675,802+	286,194	20.7
Brantford ...	760,693+	106,421	16.2
Peterboro ...	533,857—	13,286	2.4
Sherbrooke ..	710,125+	268,103	60.7
Total, East...	$133,419,768+	$ 22,358,199	20.1
Kitchener	528,551		

Western Cities.

	Feb. 22, 1917.	Change.	%
Winnipeg	$ 30,706,142+	$ 2,870,672	10.3
Vancouver ...	6,414,372+	1,344,387	26.5
Calgary	4,244,308+	491,088	13.1
Edmonton ...	2,165,776+	120,675	5.9
Victoria	1,390,736+	68,091	5.1
Regina	1,915,701+	310,529	19.4
Saskatoon ...	1,210,318+	181,885	17.8
Moose Jaw...	1,118,278+	372,349	49.9
F. William...	476,758+	65,853	16.0
Brandon	408,168—	65,087	13.7
Lethbridge ..	528,279+	144,025	37.5
N. Westmins'r	266,372+	58,027	28.3
Medicine Hat.	402,557+	135,118	50.6
Total, West..	$ 51,247,765+	$ 6,097,612	13.5
Grand total..	$184,667,533+	$ 28,455,811	18.2
Year to date	$1,652,083,783+	$293,549,736	21.7

(1,652,083,984

U.S. BANK CLEARINGS.

Bank clearings in the United States for the week ending February 15 aggregate $4,714,457,000, against $6,846,783,000 last week and $4,393,152,000 in this week last year, an increase of 7.5 per cent. Following are the returns for this week and last, with percentages of change shown this week as compared with this week last year:

(000's omitted)

	Feb. 15	I or D	Feb. 8
New York	$2,690,178	I 1.6	$4,458,833
Chicago	401,101	I 18.0	477,643
Philadelphia ...	274,486	I 12.3	384,185
Boston	211,617	D 3.1	291,699
St. Louis	112,480	I 26.6	120,342
Kansas City ..	115,628	I 41.7	121,212
San Francisco .	70,807	I 19.9	82,457
Pittsburgh	62,486	I 12.5	79,780
Cleveland	53,746	I 46.6	58,169
Detroit	47,837	I 27.3	48,777
Baltimore ...	37,652	D 15.2	38,550
Cincinnati	34,601	I 12.9	38,772
Minneapolis ..	22,147	D 6.5	24,374
New Orleans ..	33,436	I 51.0	44,400
Los Angeles ..	28,455	I 11.3	30,705
Omaha	31,631	I 43.7	30,590
Milwaukee	24,900	I 24.5	24,752
Atlanta	22,546	I 29.6	21,687
Louisville	22,062	D 1.8	26,283
Richmond ...	20,776	I 45.8	24,304
Buffalo	15,328	I 9.2	16,334
Seattle	18,040	I 59.3	16,425
St. Paul	11,638	D 6.6	11,020

MONEY.

Call money in London has been ruling this week between 4½ per cent. and 4¾ per cent., with a temporary rise to 5 per cent. during the final rush to raise funds for the purchase of the war loan. It is anticipated that there will be an early resumption of the issue of treasury bills, in which case the price of call money will go higher. In New York, the rate is unchanged, ranging from 2½ per cent. to 2¾ per cent. The money market is waiting for developments in connection with the German question. While higher rates would doubtless eventuate on a declaration of war, yet it is anticipated that the Government can do all necessary financing without seriously disturbing the money market.

EXCHANGE.

Demand sterling was slightly lower this week at 4.75 7-16, with little or no business doing. Sellers don't fancy the low price, and buyers are only going into the market to cover immediate requirements. Cables are unchanged at 4.76 7-16.

Francs have also been heavier. After opening at 5.84¾ for demand and 5.83¾ for cables, they sold off to 5.85 and 5.84 respectively.

Marks opened the week at 68 3-16 for demand and 68¼ for cables; advanced to 70 and 70⅛, and then receded to 68⅜ and 68½.

Kronen opened at 11 and 11.03 for demand and cables respectively, and went up to 11.07 and 11.10, closing at the latter figures.

Roubles opened firmer at 28.75 and 28.80, but fell off during the week to 28.45 and 28.55.

After the heavy break of last week to ¼ per cent., New York funds opened strong at a premium of ¾ per cent. Then, on the prospect of early government financing and a renewal of exports, the price slumped again, dropping by Wednesday to ⅜ per cent. premium. The same day, there followed a recovery to ½ per cent., since when weakness again developed, and the price was back at nearly ⅜ per cent. yesterday, with prospects of a further decline. The prospect of a new Government war loan in March, the issue of the British grain loan, and the issue of Canadian treasury bills are all factors in weakening funds. It is also believed that heavy shipments of British gold will find their way back to Canada through the operations of the Imperial Munitions Board.

New Branches.

Houston's Bank Directory for February, indicates that during the month of January there were nineteen branches of the Canadian chartered banks opened and six closed. Eight of the new branches were opened in the Province of Quebec and four in Ontario. The Merchants' opened four branches, two being situated in Ontario and two in Alberta; Hochelaga, five in Quebec; Hamilton, one each in Ontario, Alberta, Saskatchewan; Nationale, three in Quebec; B.N.A., one in Saskatchewan; Imperial, one in Ontario; Standard, one in Saskatchewan, and Commerce, one in Saskatchewan. Of the branches closed, two were by the Royal, one being in Saskatchewan and one in Quebec; Union, two in British Columbia; Nationale, one in Quebec; and Commerce, one in Saskatchewan. Following is a list of the branches opened, with the names of the managers, and of the branches closed:—

(Opened.)

Merchants.—Barry's Bay, Ont., P. J. Hogan, pro. manager; Collingwood, Ont., F. L. MacGachen, manager; Monarch, Alta., C. T. McDonald, pro. manager. *Penhold, Alta., sub. to Red Deer.

Hamilton.—Caledonia, Ont., C. J. O'Donnell, manager; Oyen, Alta., G. J. Gibson, manager; Truax, Sask., R. C. Cummings, manager.

Hochelaga.—*Cap. de la Madeline, Que., sub. to Three Rivers; Robertsonville, Que., F. Fontaine, Manager; *St. Benoit Labre, Que., sub. to St. Ephrem de Tring; *Ste. Clothilde, Que. (Arthabaska) Que., sub. to Victoriaville; *St. Maurice, Que., sub. to Notre Dame, Three Rivers.

Nationale.—*Garthby Station, Que., sub. to East Angus; *Ste. Flore, Que., sub. to Grand Mere; *Shawinigan Falls, Que., (St. Marc) sub. to Shawinigan Falls.

B. N. A.—Kamsack, Sask., D. A. McDonald, manager.

Imperial.—Mount Dennis, Ont., C. O. Monroe, manager.

Standard.—*Richlea, Sask., sub. to Eston.

Commerce.—Willow Brook, Sask., J. R. Riches, manager.

(Closed.)

Royal.—*Bulyea, Sask.; St. Jean Chrysostome, Que.

Union.—Glacier, B.C., Vancouver, B.C., Granville and Robson streets.

Nationale.—*Hebertville, Que.

Commerce.—Lewvan, Sask.

*Sub-branches.

At the end of January the number of branches in the Dominion totalled 3,320, and are distributed as follows:

In Canada		3,211
Ontario	1,158	
Quebec	790	
Nova Scotia	111	
New Brunswick	82	
Prince Edward Island	17	
Manitoba	200	
Alberta	250	
Saskatchewan	415	
British Columbia	185	
Yukon	3	
In Newfoundland		27
Elsewhere		82
Total		3,320

The following tabulation showed the monthly changes for the past three years, together with the first month of the present year:—

	1917		1916		1915		1914	
	Op.	Cl.	*Op.	Cl.	Op.	Cl.	Op.	Cl.
Jan.	19	6	16	14	6	9	16	6
Feb.	..	..	10	12	12	9	18	6
March	..	..	11	12	23	10	25	5
April	..	..	3	9	10	7	20	9
May	..	..	16	8	19	13	51	13
June	..	..	9	8	28	18	33	11
July	..	..	13	3	9	6	11	2
Aug.	..	..	10	5	9	6	13	8
Sept.	..	..	6	6	23	11	10	9
Oct	..	..	30	11	6	7	15	11
Nov.	..	..	24	23	10	14	5	16
Dec.	..	..	13	3	15	24	20	23
Total	19	6	161	114	169	134	237	119

*Op.—Opened; Cl.—Closed.

The annual report of the Security Life Insurance Company will be reviewed in the columns of THE POST in next week's issue.

STERLING BANK.

H. R. Johnston, who was ledger keeper at the Goderich branch of the Sterling Bank of Canada, has been transferred to the Toronto office, where he is running the savings account.

W. T. Maize, of the Monkton branch, has been transferred to the Goderich branch as teller.

E. G. Matthews, who was accountant at Goderich, has been appointed manager at the Auburn branch. Mr. Matthew's place at Goderich has been taken by J. G. Markle, who was receiving teller in the Toronto office.

S. M. Wickens, who was manager at the Dungannon branch has been transferred to Sebringville branch in the same capacity.

W. M. Lawson, has been transferred from the Cornwall branch to Monkton.

H. A. Joyce, teller at Orangeville, has been transferred to head office, where he will assist the credit department.

S. M. McCrackin, has been transferred from Courtright to Orangeville branch as teller.

W. G. Fallis, has been appointed accountant at the Montreal branch.

BANK OF NOVA SCOTIA.

A branch of the Bank of Nova Scotia has been opened at Woodbridge, Ont., under the management of E. G. Farr.

The Bank of Nova Scotia has declared its regular quarterly dividend of 3½ per cent., payable April 2, to shareholders of record March 16. The books will be closed from the 17th to the 31st of March.

ROYAL

L. McAllister, who has for some years been manager of the Royal Bank at Port Moody, B.C., has been transferred to Cuba. He is a New Brunswick man. H. B. Walter, manager at Ladysmith, succeeds him.

BANK OF HAMILTON.

R. M. Ecclestone, manager of the Bank of Hamilton, at Teeswater, Ont., has been transferred to Battleford, G. C. Webster of Orangeville, taking over the management at Teeswater.

DOMINION BANK.

The Dominion Bank has declared its regular quarterly dividend of 3 per cent., payable April 2nd to shareholders of record March 20th.

FEDERAL FARM-LOAN BANKS.

Public subscription to the stock of the twelve Federal farm-loan banks took up only 26,000 shares, of a value of $130,000, and the Government will supply the remaining $8,870,000.

The Farm-Loan Board, in announcing the figures made it clear that public subscription had not been thought desirable in view of the fact that the stock is redeemable at par, and that within a year or so at most the banks would buy back the stock from its original holders.

Thus, in the case of the Baltimore Bank, to which public subscriptions aggregated about $6,500, the Board declined to entertain a suggestion made by a Baltimore banker that the entire stock issue be underwritten in that city.

Complete returns of the stock subscriptions have not been received from four of the twelve districts. Returns tabulated thus far show that the greatest amount, about nine thousand shares, were subscribed for the Omaha Bank. Other detailed reports are being tabulated.

UNLISTED STOCKS.

Furnished by A. J. Pattison, Jr., & Co., Toronto, Feb. 21, 1917:

Quotations—	Bid.	Ask.
Abitibi Power, com.	69.00	73.00
Do., pref.	88.00	.....
Arena Bonds (Toronto) ...	....	95.00
Atlantic Sugar, com.	12.00	20.00
Belding, Paul, pref.	70.00	80.00
Do., bonds	80.00	95.00
Canadian Furniture, pref...	.....	45.00
Canadian Machinery 6's ..	70.00	83.00
Do., pref.	39.00	.....
Canadian Marconi	1.25	2.50
Canadian Mortgage	91.00	100.00
Canadian Oil, com.	35.00	40.00
Do., pref.	75.00	.....
Canadian Westinghouse ...	130.00	145.00
Continental Life	20.00	25.00
Crown Life	80.00	.....
Dom. Pwr. & Trans., com..	60.00	66.00
Do., pref.	94.00	99.50
Dominion Mfg., pref.	.....	55.00
Dom. Perm. Loan	70.00	75.00
Dunlop Tire, pref.	92.00	97.00
Frontenac Brew., 6% bds..	.....	80.00
Home Bank	64.00	.....
International Milling, pref.	88.00	94.00
Imperial Oil	325.00	.....
Loews Theatre, com.	70.00	80.00
Do., pref.	85.00	.....
London Loan & Savings ..	95.00	115.00
McDonald, com.	.....	16.00
Morrow Screw, 6% bonds..	88.00	.....
People's Loan & Savings..	85.00	90.00
Prudential Trust	.....	72.00
Ruddy, E. L., pref.	.....	88.00
Stand. Rel. Loan (par $50).	45.00	50.00
Steel & Radiation, com. ...	.....	30.00
Do., pref.	....	65.00
Sovereign Life	.....	25.00
Trusts & Guarantee	85.00	90.00
Tough Oaks	2.30	2.70
Ford Motor	.....	360.00
Ontario Pulp, bonds	84.00	.....
Volcano Oil	115.00	.....
Dom. Glass, pref.	81.00	.....
Eastern Car, pref.	70.00	.....
Do., 6% bonds	95.00	.....
Northern Elec. 6% bonds..	90.00	100.00
Russian Govt. 5½% bonds	28.00	29.00
Anglo-French, 5%	92.00	93.00
Belding Paul, com.	10.00	17.00
Carter-Crume, com.	11.00	.....
Carter-Crume, pref.	.....	85.00
Dom. Linen, pf., 20% bonus	.....	100.00
Imperial Steel, com.	.....	4.00
Do., pref.	2.50	5.25
McDonald, pref.	.....	80.00
Metal Shingle & Sid., pref.	.....	65.00
Toronto Paper, 6% bds. ...	80.00	.....
United Cigar Stores	1.00	1.30
Chapman Ball Bearings ...	25.00	.....
Canada Paper, pref.	83.00	95.00
Cockshutt Plow	.....	70.00
Linderman Steel	3.00	.....
Universal Steel, com.	....	42.00
Atlantic Sugar, pref.	40.00	50.00
Wabasso Cotton, com.	30.00	35.00
Intercolonial Coal, com. ...	22.00	.....
National Brick, com.	8.00	12.00
Amer. Nat. Gas	.....	1.10

BANKING FACILITIES

The Bank of Toronto is equipped to offer customers every facility of modern Banking. Drafts, Money Orders, Letters of Credit and Travellers' Cheques are issued.

Current Accounts for business purposes opened on favorable terms.

Interest-bearing Savings Accounts may be opened at any Branch. Money loaned to responsible people.

THE BANK OF TORONTO
INCORPORATED 1855
Head Office - TORONTO, CANADA
Paid-Up Capital - $5,000,000 Reserve Funds - - $6,508,000

DIRECTORS.
W. G. Gooderham, President.
J. Henderson, Vice-President.
William Stone, John Macdonald, Lt.-Col. A. E. Gooderham, A. H. Campbell, Brig.-Gen. F. S. Meighen, J. L. Englehart, Wm. I. Gear, Paul J. Myler.
Thos. F. How, General Manager. John R. Lamb, Supt. of Branches.
T. A. Bird, Chief Inspector.

Bankers.—NEW YORK—National Bank of Commerce. CHICAGO—First National Bank. LONDON, ENG.—London City and Midland Bank, Limited.

THE HOME BANK OF CANADA
ORIGINAL CHARTER 1854
BRANCHES AND CONNECTIONS THROUGHOUT CANADA.
HEAD OFFICE AND NINE BRANCHES IN TORONTO
8-10 King St. West, Head Office and Toronto Branch.
78 Church Street
Cor. Queen West and Bathurst
Cor. Queen East and Ontario.
1220 Yonge St. Subway. Cor. Alcorn Ave.
Cor. Bloor West and Bathurst.
236 Broadview, Cor. Wilton Ave.
1871 Dundas St., Cor. High Park Ave.
Exhibition Camp, Exhibition Park.

THE STERLING BANK OF CANADA

The highest banking standards are Sterling Bank standards—a thorough, efficient service for every client.

THE STANDARD BANK OF CANADA
HEAD OFFICE - TORONTO
A GENERAL BANKING BUSINESS TRANSACTED
SAVINGS DEPARTMENT AT ALL BRANCHES
EST'D 1873

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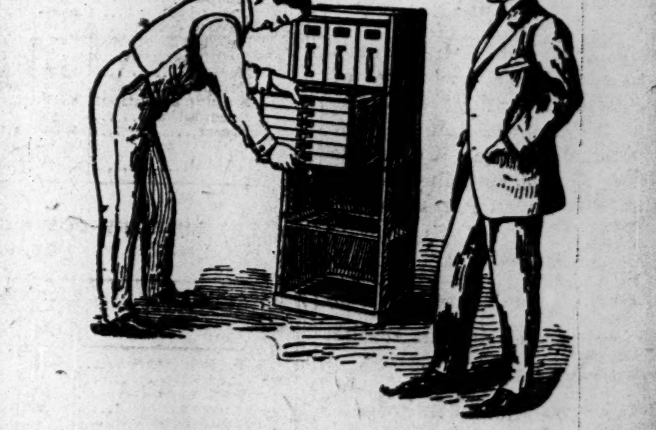

Ask Your Furniture Dealer to show you how easy it is to select your exact requirements from the big line of

Macey Inter-Inter Cabinets

As indicated by the illustration above the filing Interiors are Interchangeable, hence the name "Inter-Inter." The outer cabinet shown above can be supplied with more than 7000 different selections of interiors, and this is only one of the outer cabinets in our line!

CANADA FURNITURE MANUFACTURERS LIMITED
GENERAL OFFICES, WOODSTOCK, ONTARIO

YEAR SAW GREAT DEVELOPMENT OF SHAWINIGAN

Company's Earnings Were Increased by More Than $400,000.

SUBSIDIARIES VERY ACTIVE

Policy of Developing Industries to Create a Market for Company's Power Meeting With Marked Success.

There are many interesting features of the annual statement of the Shawinigan Water and Power Company, and the report of the president, J. E. Aldred, which are not only of interest to shareholders, but to investors generally, for Shawinigan represents one of the most efficiently and successfully conducted public utilities on the continent. However, the two points that will at once appeal to the reader as summing up the year's operations and the effect of the conditions which have prevailed are the larger earnings and at the same time the material increase in expenses. The first indicates the effect of the steady development of the company's field and the organization of subsidiary concerns for the consumption of power, while the second is evidently the result of higher costs of labor and supplies and the general readjustment of production and marketing rates which has taken place with a continuation of abnormal conditions over such a long period that for the present they may be accepted as more or less normal. Then it is worthy of note that the directors are able to offer the comment that they are pleased to report that the satisfactory relations heretofore existing between the public, municipal corporations and the company have continued—and this in the face of the spread of the public ownership agitation in other parts of the country.

The gross earnings of the company for the year were $2,325,872, an increase of $405,729, while at the same time the expenses increased $202,890 to $427,927. Thus the net earnings, at $1,897,945, were only larger by $202,840. Charges were also higher and the net revenue, at $1,353,737, compared with $1,169,105, an increase of $184,623. Dividends increased by about $200,000 and total deductions, at $1,336,147, compared with $1,181,814 in the previous year. The deductions included $232,141 for reserve and $100,000 for depreciation. The year's surplus was $17,590. Following are comparative figures:—

PROFIT AND LOSS

	1916	1915	1914
Gross earn....	$2,325,872	$1,920,143	$1,805,217
Expenses	427,927	225,037	244,594
Net earn ...	$1,897,945	$1,695,105	$1,560,622
Charges	544,208	526,072	499,153
Net revenue.	$1,353,737	$1,169,032	$1,061,469
Less—			
Dividend .....$	989,006	$ 787,131	$ 721,875
Reserve funds .	232,141	279,683	200,000
Contingent fd..	10,000	10,000	20,000
Deprec. reserve	100,000	100,000	100,000
Pension fund ..	5,000	5,000	......
Total deduc.	$1,336,147	$1,181,814	$1,041,875
Surplus ....$	17,590	*$ 12,782	$ 19,594
Prev. balance .	26,690	39,472	19,878
Total surplus	$44,280	$26,690	$39,472

*Drawn from surplus.

The net earnings show a return of 9½ per cent. on the average capital employed during the year. The additions to the reserve and sinking funds raise the total to $2,400,000, all of which, the directors point out, is invested in marketable securities.

Development of Subsidiaries.

From the balance sheet it is found that capital has been enlarged by the increase in stock outstanding from $13,612,000 to $15,000,000 and an issue of notes of $2,500,000. This is reflected in the reduction of bills payable by about $600,000, and in the investment of about $1,500,000 in subsidiaries, the securities held now amounting to $8,430,487. Accounts receivable are also larger by about $2,000,000. The investments in subsidiary companies are of particular interest to the shareholders, as they are a reflection of the policy of the directors in the development of additional power units and subsidiary companies which are consumers of the power produced, and thus afford a double opportunity for profit with efficient management.

The operations of the subsidiary companies are referred to in the report of President Aldred at some length. The St. Maurice Construction Company has continued the construction work on the La Loutre storage dam in connection with which and the Canadian Electro Products project, the issue of $2,500,000 short term notes was made. The work has entailed the building of twenty miles of railway, the organization of a river transportation service, etc.

Development in the Three Rivers district and in the city itself is referred to as favorably affecting the North Shore Power Company and the Three Rivers Traction Company. The operation of the Public Service Corporation in Quebec has been conducted with Shawinigan power since March, 1916. A contract has been made for delivery of power to the Southern Canada Power Company in a district not served by the Company's subsidiary, the Continental Heat and Power Company.

The Canada Carbide Company, another subsidiary, had a very successful year, with prospects that 1917 will see a record output as the result of additions made to the plant. The Canada Electrode Company has completed its plant and is in a position to supply its product to the industries at Shawinigan Falls. The construction work of the Laurentide Power Company is now completed, and the plant at Grand Mere has been put in full operation.

Altogether the field for the company's product has shown very satisfactory development, the enlargement of the operations of the St. Maurice Paper Company, the Wayagamack Pulp and Paper Company, the Canada Iron Corporation, the Belgo-Canadian Pulp and Paper Company, and the Aluminum Company, being particularly referred to, while it is noted that the population of Shawinigan Falls has increased to 11,000. The amount of power used at the falls is now nearly 100,000 horse-power. The company's new business in 1916 was such as should increase the demand for power on the generating station by 25,000 horse-power.

Following is a summary of the earnings record since 1907:—

EARNINGS RECORD

	Gross earnings	Net	% on common
1916	$2,325,872	$1,253,736	9.5
1915	1,920,243	1,169,032	*9.25
1914	1,805,217	1,061,409	8.82
1913	1,690,882	972,079	8.83
1912	1,569,671	872,360	7.9
1911	1,349,715	752,512	7.5
1910	991,029	456,387	5.7
1909	819,171	321,300	4.6
1908	706,244	269,419	4.0
1907	581,193	206,787	3.17

*Estimated on average capital outstanding.

NORTHERN POWER.

Increased Expenses Absorbed Improvement in Earnings.

While the annual statement of the Northern Ontario Light and Power Company's sixth annual report, covering the year ending December 31, 1916, showed an increase in operating revenues of $5,500, to $804,439, operating expenses of $206,535 reduced the net to $597,904, compared with $597,176 for 1915. Total income was $611,994, against $620,507. Net income, after interest charges and bad debts were subtracted, was $337,948, compared with $345,445 the year before. Of this amount preferred dividends took $142,968, reserves $150,000, leaving a surplus for the year of $44,980, which added to a previous surplus, makes a total brought forward into the current year of $587,480.

During the year the company reduced its rates charged for light and power, which made a difference in revenues of 8 per cent. Considering this the company must have extended its operations considerably. Taxes for the year were $8,128 in excess of 1915.

The company announces that it expects to deliver power to Kirkland Lake gold camp early in March. The Kirkland Lake line cost $177,140 so far, and will cost another $50,000 before completed. During the year $185,068 was expended in extensions.

Officials of the Lehigh Valley Railroad Company confirm the report that electrification projects now under consideration may involve from $10,000,000 to $20,000,000. Engineers have been at work making an investigation of the plans, but have not yet reported to the company's officials.

The movement of cattle from Western Canada into Minnesota in 1915 was 58,120 head and in North Dakota 31,220, whereas last year it was 27,524 into Minnesota, and 19,143 into North Dakota. There was a relative decrease in the movement into Montana and Washington.

MACKAY ISSUES WARNING ABOUT GOVT. CONTROL

Open Letter to President of Interstate Commerce Committee.

DIVIDEND MAY GO HIGHER

Shareholders Are Informed That an Increase in the Return on the Common Stock is Being Considered.

An interesting feature of the annual report of the Mackay companies, apart from the statement that an increase of the dividend on the common stock from 5 to 6 per cent. was being considered, was the open letter from Clarence H. Mackay, president of the Postal Telegraph, Commercial Cable, and other companies, to Hon. Francis G. Newlands, chairman of the Joint Committee on Interstate Commerce, warning against the ownership of telegraphs by the Government.

The telegraph service of this country is thoroughly efficient. It is supplied by two strong competing organizations. Government ownership would, of course, mean the elimination of competition because the Government would not allow anyone or any corporation to compete with the Government service. The present strenuous competition between the Postal Telegraph-Cable Co. and the Western Union Telegraph Co. has resulted in giving a higher and better class of service than Government ownership ever could or would be expected to give in this country. This American telegraph service is admittedly far superior to any telegraph service in Europe, where Government ownership of telegraph prevails. By the Postal Telegraph-Cable Co. a twenty-minute service is given from sender to addressee between all large cities.

In Europe anyone who wishes fast service equal to that of the American telegraph service, must pay three times the regular ordinary rate. Telegraph rates in the United States are cheaper than anywhere else in the world. This is not generally understood, because the published rate abroad seems cheap until one ascertains that every word in the address, signatures, etc., is charged for, as well as every word in the body of the message.

From Paris to Vienna is about 650 miles, and the cost for a 15-word message, address and signature charged for, is 57.9 cents, as against only 40 cents, address and signature free, for a similar distance, in the United States. From Stockholm to Paris (1,000 miles) the rate for a 15-word message, address and signature charged for, is 72.4 cents. From New York to Chicago, about the same distance, the rate for a 10-word message, address and signature free, is 50 cents.

In Europe the revenue per mile of wire must be many times greater than in the United States, and hence the proportion of upkeep to revenue is much less in Europe than in the United States. For instance, the average telegram in the United States traverses 570 miles and night letters 1,025 miles, while in Belgium the average traverses but 42.5 miles and in Great Britain 150 miles.

The American telegraph companies send messengers to collect and deliver telegrams and maintain call-box systems. The American companies keep open accounts for their customers and keep offices in hotels, apartment houses and competitive offices in all parts of large cities. The European Governments do nothing of this kind. There the telegram must be taken to the telegraph office; the sender cannot run up an account; he must prepay, and may have to go a long distance before finding a main or branch office.

In a speech in the House of Commons on April 30, 1914, Postmaster-General Hobhouse of Great Britain said that within the last forty years the telegraph expenditures of the British Government exceeded the telegraph receipts by $110,000,000, not including interest on the original purchase money nor interest on the annual losses, nor any provision for amortization. If these were included the loss would have been $290,000,000.

With Government ownership there always exists agitation on the part of the telegraph-using public for better service and lower rates. Government ownership of the telegraphs would add another large body of office holders to the Government service, and would create another almost equal body of office seekers.

The entry of the Postal Telegraph-Cable Co. into the telegraph field as a competitor led at once to a war of rates. The following table, setting forth the rates for a ten-word message before and after the telegraph war, whereby millions of dollars annually have been saved to the people of the United States by the reductions, speaks for itself:

Points between New York and	Monopoly Rate Before the entry of the Postal	Present Competitive Rate
Arkansas	$1.00	$0.60
California	1.50	1.00
Colorado	1.25	.75
Idaho	1.50	1.00
Kansas	1.00	.60
Louisana	1.00	.60
Minnesota	1.00	.60
Montana	1.50	.75
Nebraska	1.00	.60
North Carolina ..	.75	.50

The Public Service Commissioners, at their convention held in San Francisco, on October 12, 1915, received from the Committee on Telephone and Telegraph Rates and Service an exhaustive report, including letters and opinions from leading public men throughout the country. The following are their conclusions:

"When we consider, therefore, how intimately the public welfare is bound up with an adequate development of our wire service, and the deplorable consequences—from the standpoint of extent, quality and cost of service—which have followed attempts of foreign countries to develop their wire systems by direct Governmental agency; when we consider, too, that this unfortunate condition has come about, despite an acknowledged superiority in point of administrative efficiency of foreign Governmental machinery over our own; when we consider, finally, that an analysis of the causes underlying the strikingly inadequate character of the wire service abroad, reveals Governmental defects inherent in direct Governmental management, but fortunately absent under a system of Governmental regulation, it would seem that, until such time as evidence to the contrary is adduced of a more conclusive character than that presented by the Postmaster-General and his assistants, it is preferable that the Government in this country continue its policy of dealing with electrical systems of communication by regulation."

Then there is another thing. It would cost the Government about two billion dollars to take over the telegraph and telephone lines. In fact, it might cost the Government a great deal more, because under the decisions of the United States the earning capacity of these vast properties would have to be paid for.

And so long as competition continues, there is no occasion for Government ownership.

The Year's Results.

The annual statement was, as usual, vague as to the details of the operations. The profit and loss account shows a substantial increase in receipts, the total being $4,683,265, or $408,325 more than the previous year. The balance carried forward was $557,445, or $407,266 in excess of February 1, 1916. Following are comparisons:—

	Feb. 1, 1917	Feb. 1, 1916
Income	$4,683,265	$4,274,940
Operating expenses, including taxes, etc.....	56,799	55,740
Dividends—		
Common	2,069,020	2,069,620
Preferred	2,000,000	2,000,000
Balance carried forward	557,455	150,179

The report explains that increased business was due to the great trade activity, and offers the warning that the directors anticipate a cessation after the war is over. They also express their anticipation that taxes will increase rather than decrease.

NEW BRICK COMPANY.

Mack Concern Organized in Face of Dull Conditions.

Undeterred by the fact that other brick concerns have found things very tough the past year or two, and have, in fact, been practically idle, a new concern, known as the Mack Brick Company, has been incorporated, and will commence operations this spring. The company's authorized capital is $500,000. P. S. McKergour, who has been general manager of the National Brick Company of Laprairie, will be managing director of the new company. The plant will be in the neighborhood of Delson Junction, Que. There will be only one grade of capital stock, and no bonds.

WHOLESALE HOUSES HAVE A GOOD YEAR

John Macdonald & Co. Report the Most Satisfactory Business in Company's History.

The reports that have come to FINANCIAL POST from the wholesale dry goods houses of Canada indicate that they have had in most cases the best year in their history. This includes not only the turnover but the net profits. In the case of John Macdonald & Co., of Toronto, one of the largest in Canada, FINANCIAL POST is informed that not only did the turnover constitute a record, but the quantity of goods sold was the greatest in history. This means, taking into consideration the late increases in the values of goods, that the turnover exceeded the previous record year by fully 30 per cent. This was in 1913. The year 1914 dropped considerably in the early stages of the war with the sudden slump in all retail business, while the year 1915 ran considerably ahead of 1914. The past year however, showed a tremendous advance over the figures for 1915.

While the volume of business for the early months of 1917 will run very high owing to the heavy orders for the spring and summer trade, the actual orders that come in during the year are expected to fall far below and record of 1916. The reason for this is that the merchants ordered far in excess of their requirements for 1916 and the early part of 1917, and now are well stocked up in nearly all staple lines, and in addition, feel that prices have gone so high that it will not be safe any longer to work on much else than a hand-to-mouth basis with the exception of a few lines such as underwear, hosiery, gloves and some woollens.

"We are looking for a rather slow year from this out," said the head of a large Canadian wholesale to FINANCIAL POST on Thursday.

"But," remarked a man who is prominent in the selling end of a textile mill, "the wholesales do not need to worry over the volume of their business for fall; if they deliver anything like the goods they have orders for for spring they could afford almost to shut up for the rest of the year."

J. P. BICKELL & CO.
STANDARD BANK BUILDING, TORONTO, CANADA
MEMBERS OF THE CHICAGO BOARD OF TRADE, NEW YORK COTTON EXCHANGE, NEW YORK PRODUCE EXCHANGE, WINNIPEG GRAIN EXCHANGE, STANDARD STOCK AND MINING EXCHANGE.
Wheat, Grain, Provisions, Cotton, New York Stocks, Bonds, Canadian Securities
Cobalt and Porcupine Mining Stocks
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Market Letter Mailed Free on Request.

Dominion Power & Transmission Company, Limited

HEAD OFFICE - - HAMILTON, ONTARIO

ANNUAL STATEMENT

For the Year Ending December 31st, 1916.

Being a Statement of Combined Results of Operations of the Company and its Subsidiary Companies.

EARNINGS AND EXPENDITURES.

Gross Earnings	$2,693,211.93	
Operating Expenses	1,459,601.08	
	$1,233,610.85	
Transferred to Maintenance and Renewals	157,689.25	$ 1,075,921.60
Bond Interest and Interest		365,573.31
Surplus Earnings		$ 710,348.29

PROFIT AND LOSS ACCOUNT.

Jan. 2nd, Balance from 1915		$ 639,259.49
Dec. 31st, Surplus Earnings 1916		710,348.29
Dec. 31st, Bad Debts written off	$ 3,195.69	
Dec. 31st, Bond Commission	26,000.00	
Dec. 31st, Transferred to Reserve	250,000.00	
Dec. 31st, Dividends Declared	534,351.44	
Dec. 31st, Balance	536,060.65	
	$1,349,607.78	$1,349,607.78

ASSETS.

Dec. 31st, Properties	$22,562,812.17
Dec. 31st, Hamilton Hotel Co., Ltd., Stock	20,000.00
Dec. 31st, Accounts Receivable	159,277.36
Dec. 31st, Stores on hand	139,323.75
Dec. 31st, Cash on hand and in Bank	223,994.26
Dec. 31st, Cash on hand and in Bank, Special Deposit	68,750.00
	$23,174,157.54

LIABILITIES

To Public—		
Dec. 31st, Notes Payable		$ 13,500.00
Dec. 31st, Accounts Payable		81,598.41
Dec. 31st, Bond Interest Accrued		109,690.55
Dec. 31st, Insurance Accrued		45,235.66
Dec. 31st, Bonds, Including Sub. Corp.	$9,464,000.00	
Dec. 31st, Bonds Redeemed	762,000.00	8,702,000.00
To Shareholders—		
Dec. 31st, Capital Stock, Cumulative Preference...	$3,681,100.00	
Dec. 31st, Capital Stock, Ordinary	7,714,500.00	11,395,600.00
Dec. 31st, Dividends Payable January 15th, 1916		137,422.00
Dec. 31st, Maintenance and Renewals Accounts—		
Balance 1915	$ 291,971.25	
Charged 1916	157,689.25	
	$ 449,660.50	
Transferred 1916	46,610.23	
	$ 403,050.27	
Dec. 31st, Reserve	1,750,000.00	
Dec. 31st, Profit and Loss	536,060.65	2,689,110.92
		$23,174,157.54

WILLIAM C. HAWKINS, Secretary. J. R. MOODIE, President.

Hamilton, February 7th, 1917.

I hereby certify that I have audited the books and accounts of Dominion Power and Transmission Company, Limited, and also those of the Subsidiary Companies, for the year ended December 31st, 1916, and that they have been correctly kept.

The Statements of Earnings and Expenditures, Profit and Loss, and Final Balance Sheet, which I have certified, correctly set forth the affairs of the Company as shown by the books.

C. S. SCOTT, F.C.A., Auditor.

THE FINANCIAL POST
OF CANADA

A weekly newspaper, presenting in a popular manner reliable information respecting investments and financial affairs in Canada.

No paid advertising, other than annual reports or official notices of corporations, will be inserted in the news columns unless marked "Advertisements."

Advertising matter is investigated before publication, and none of known questionable character is accepted. Acceptance of advertising will not deter the editorial department from making such comments as the situation may demand.

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President, - - - - JOHN BAYNE MACLEAN
Manager, - - - - - - R. G. DINGMAN

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Toronto, February 24, 1917.

CANADA'S TURN NEXT.

THE POST considers it nothing short of national discredit to Canada that we should allow Australia to show the way in the banishment of inefficient party administration in favor of a practical war government. The Australian ministry has resigned and Premier Hughes has been asked by the governor-general to form what will be known as the Commonwealth War Government. The present crisis demands that the same privilege and power be given to Mr. Borden. The people cannot expect that national affairs can be efficiently conducted by men who have shown no ability to hold the executive positions in which they have been placed. So many votes may satisfactorily decide a popularity contest but it is a poor system for picking men to fill the biggest executive jobs in the country. We need the services of capable, efficient business men and not of vote-gathering idols. Sir George Foster, Hon. Messrs. Burrell, Roche and Crothers, Ministers of Trade, Agriculture, Immigration and Labor respectively should in fairness to their leader and their party, resign at once their portfolios. We have every reason to believe the Prime Minister would welcome them.

NATIONALIZE PATRIOTIC EFFORTS.

WE DO not believe that there will be another public campaign for patriotic funds in Canada. This does not mean that further funds will not be required for the splendid purposes which this campaign has in view. Rather it means that more practical means will be employed to the same end. The time has passed, after three years of warfare, when we should be dependent upon the haphazard method of public subscriptions to support what is really a direct and important burden of the conflict. The biggest business men of the country are opposed to the system. THE POST understands their co-operation in this recent effort was secured only on the understanding that it would be the last so organized. Even with this assurance, however, it is doubtful if the support of the big industrial and financial executives—whose efforts were largely responsible for the success of the effort—could have been secured had it not been shown that there was at Ottawa an absolute lack of the necessary machinery to administer efficiently the funds required for those now dependent upon the patriotic organization. Further, steps had not been taken to secure these funds by other means. This is but another example of the need for national effort in regard to our war affairs and an efficient national government to administer them. The people should be made to pay and not asked to pay.

THE NICKEL ISSUE.

THE nickel issue has again come to public attention as the result of the debate in the Ontario legislature on the Dewart resolution. However, as is usually the case with the debates in the halls devoted to the transaction of the public's business, and which are usually staged with the idea of manufacturing campaign material, nothing practical was accomplished and it is doubtful if anything practical was attempted. The vote was just what might have been expected. Political parties get so far apart on their issues that there is little hope of a sensible solution being reached; in fact they seem to endeavor to get so far apart that there is no chance of either side being manoeuvred into the position—politically disgraceful—of agreeing with the other. THE POST believes the International Nickel Company should be compelled to do all its refining in Canada but the scheme of a government owned and operated refinery is not practical—although it makes great political talk in this province where the people have lost their heads over public ownership. Home refining would not only mean protection of the supply of valuable war material but it would have the practical business advantage of creating in Canada an industry employing capital and labor to which the country is entitled from the fact that it produces the raw material. Canada, in some lines, for economic reasons is not naturally a great manufacturing country; but we can and must build up, on a healthy basis, those industries which consume our own raw materials.

MORTGAGE COMPANIES' EARNINGS.

THE annual statements of the different Canadian Mortgage companies on the whole, show a decline in earnings. This was to be expected. If there is anything unexpected in the showing it is that the decline has not been greater. The real estate situation in Canada had reached an abnormal position prior to the outbreak of the war and that the different companies have been able to so well maintain their positions is an indication of the generally conservative and careful policy followed during the boom days. In fact a study of the different reports leads to the conclusion that the particular conditions affecting Canadian mortgage companies' profits are in England rather than in Canada. The loaning field is somewhat circumscribed owing to the fact that many mortgages are being paid off but such have been the conditions that interest payments have been very satisfactorily met; the factor which has been mainly responsible for the decrease of the margin of profit has been the higher interest rate prevailing for funds on sterling debentures. With such a demand for funds at home and with such high interest rates prevailing the British investor at home has been seeking higher returns on his funds. One report mentions that the directors could have renewed more of the debentures due had they been willing to pay 5½ per cent. Another factor in the reduction of earnings which might be mentioned has been the policy of maintaining large cash balances in order to be in a position to meet emergencies.

THE EMPIRE RESOURCES SCHEME

THE Empire Resources farm scheme which has been launched in London by Sir Starr Jameson, Earl Grey, Moreton Frewen, Wilson Fox and other promoters, as an Imperialist plan for the settlement of a couple of million acres—which Canada is to provide—has the warm support of Hon. George P. Graham, as indicated by the editorial attitude of the Montreal *Herald*, which he edits. It is yet early to pass judgment, but THE POST would issue a warning to the powers controlling our national affairs to beware of the magic influence of big names and high titles. That such men as Mr. Graham are willing to tender their support without more particulars than have been offered emphasises the danger. Canada is looking for settlers and for the development of her resources in any practical way but in these times, when every sacrifice is being made to the Empire's interests, we must be careful not to allow our loyalty and patriotism to be unduly swayed by private speculative interests wearing the cloak of Imperialism.

KEEPING TAB ON JAPAN'S TRADE.

ON several occasions recently THE FINANCIAL POST has undertaken to point out certain factors which are working an evolution in trade conditions in the Pacific and the far Eastern fields and which promise to create for Canada a problem of the not far distant future. Taking advantage of the conditions which have prevailed since the outbreak of the war, Japan, in addition to playing a certain active part in the campaign of the Allies and rendering assistance to Russia, has, by an aggressive foreign trade campaign, established herself in an important way as the merchant nation of the whole Orient. In 1915, and even more especially in 1916, Japanese exports to Asiatic Russia, British India and the Philippines have shown a remarkable growth. In fact throughout the Orient the exports for the eleven months ending with November last were about $100,000,000 larger than during the whole of 1915. Following is a summary of Japanese trade in the Orient as compiled by the Foreign Trade Department of the National City Bank of New York.

> The whole Orient has apparently found Japan its most convenient source of supply for manufactures, and her exports to Asia as a whole in the 11 months ending with November, amounted to $225,000,000 against $154,000,000 in 1915, and $126,000,000 in 1914. To Asiatic Russia her exports show very large gains, amounting in the 11 months of 1916 to $53,000,000 against $36,000,000 in the same months of 1915, and $3,175,000 in the same months of 1914. To British India the exports of the 11 months of 1916 are $31,000,000 against $19,000,000 in the same months of last year, and $12,000,000 in the corresponding months of the preceding year, and to our own Philippine Islands, they are over $5,000,000 in the 11 months of 1916 against about half that sum in the corresponding months of 1914.

The rapid development of Japan's export trade with Russia and with other fields in the Orient must attract the attention of Canadian manufacturers who may be looking for export trade in that direction. The matter is one which should have the active consideration of our Department of Trade and Commerce. The question of trade relations will undoubtedly be the great issue in fixing the terms of settlement of the war. Now is the time when Canada should consider her interests of the present and of the future as regards her trade relations with other countries. The terms of settlement reached by the Allies will undoubtedly have a far-reaching effect upon world trade for many years to come and it is important that Canada should see that her rights and interests are fully recognized and safeguarded.

EDITORIAL NOTES.

IF THERE is any more talk of leaks at Washington we may hear of plumbers running for Congress.

* * *

EFFORTS are being made to find out whether the Adamson eight-hour-day law is a law or just something passed by Congress.

* * *

A CORRESPONDENT of the *Wall Street Journal* refers to the Calgary bonspiel as a "houspill." What are financial writers supposed to know about sport anyway.

* * *

STILL from the standpoint of earnings it may be pointed out that in railroad history the companies have lost ten times as much through maintaining rolling stock which has not been used as through business which they have not been able to handle when traffic has touched the peak load.

* * *

NEW YORK is to employ physicians and dentists to examine the mental condition of all prisoners. Investigations show that much crime is due to the health of the criminal. Few men or women are naturally bad. Ill health and environment make them so. An increasing number of people agree with Robert Bickerdike, M.P., that it is a physician, not a hangman, most murderers require.

* * *

GUY CHATTERTON, the English Editor and Author, is attacking Lloyd George, charging him with being a Prussian in his policy and methods. This form of Prussianism is exactly what the English people wanted and what the Empire needed. For weeks, after the war broke out, thousands of British workmen and farm laborers refused to enlist saying that they "would be just as well off under the Kaiser if the Germans took Britain as they were under King George—both were German."

SIR EDWARD KEMP

Something of a Canadian Whose Business Ability Has Been a National Asset in War Time.

By William Lewis Edmonds.

Sir Edward Kemp, one of the two Canadians recently created a Knight Commander of the Order of St. Michael and St. George, is one of the few prominent men in public life in the Dominion to-day who have made their mark in both business and politics.

It has been said that the secret of the success of one man and the failure of another is due rather to difference in strength of will power than to difference in native ability. Be that as it may, one thing is certain, and that is, that Sir Edward has never been wanting in will power. Whenever he sets his hand to the plow it is safe to bet that he will not let up until his plowing is done, the crops are in and the harvest garnered. His whole life, in both business and politics, is an exemplification of this. Plus this is his sound judgment, keen insight, and comprehensive grasp of the problems of finance.

"Unless," says Henry Drummond "a man undertakes to do more than he possibly can do, he will never do all that he can do." Sir Edward Kemp has evidently been actuated by this principle in everything he has undertaken.

When he began his business career in Montreal, the commercial capital of his native province, the undertaking was neither very pretentious nor very successful. But it was a start, and one which gave him considerable insight regarding the particular branch of manufacturing which he ultimately embarked upon with such signal success.

The particular period at which he began to perceptibly climb the ladder of success was when he came to Toronto between twenty-five and thirty years ago as manager of and a partner in the McDonald Manufacturing Company. The business, while not at that time pretentious, was promising. Under the management of Mr. Kemp it soon became both more pretentious and more promising. In fact so marked was the ability with which he managed the business that when within a year or two he was given the opportunity of purchasing his partner's interest he readily found the necessary cash to enable him to do so, thanks to certain financial interests that had acquired a knowledge of his executive ability.

From that on Sir Edward's career in the business world was rapidly progressive. And it was not a great while before the Kemp Manufacturing Company was launched. Three or four years ago the style of this concern was changed to the Sheets Metal Products, Limited. To-day there are three factories operating, two being in Toronto and one in Winnipeg, with a warehouse in Montreal, employing all told something like two thousand hands, while Sir Edward Kemp, who still retains the presidency, is numbered among Canada's list of millionaires.

Sir Edward's career in public life may be said to have begun when in 1895, he was elected to the presidency of the Canadian Manufacturers' Association. And, with such marked ability did he fill this office that the members on the following year did the unusual thing of re-electing him for a second term. Three years later the Toronto Board of Trade elected him as its president. So successful were his efforts to increase the membership of the Board and to increase its influence that the members re-elected him for a second and a third term, again an unusual practice.

The ability which he displayed in these semi-public offices brought him so fully into the "spot light" that in 1900 he was elected by a handsome majority to represent the riding of East Toronto in the House of Commons. At the following general election he again left his opponent far in the rear. But in 1908, owing to a split in the ranks of the party in the riding, which led to the nomination of an independent Liberal-Conservative candidate who received the support of the Liberal party, Sir Edward, as the official candidate, went down to defeat. At once, with the co-operation of his friends, he began to prepare his plans for redeeming the constituency. Some of his friends say he began the very next day. One thing is sure, he didn't allow any grass to grow under his feet. Three years later his opportunity came. He went into the fight with even more vigor than had characterized former campaigns. He had at his back an organization that was about as perfect as it could be, while the constituency was covered with unique and striking advertising such as never before had been seen. When the ballots were counted the opponent which had defeated him three years before was buried out of sight.

As a speaker Sir Edward cannot be classed as an orator. And he never attempts to assume the role of one. He would probably fail if he did attempt it, for he has not been endowed with the gifts of imagination, vision and depth of feeling which are the basis of oratory. He makes a good speech, nevertheless. But it is cool, calculating, informative and businesslike. His speeches interest an audience, but they do not move it.

Although by his speeches, either inside or outside the House of Commons, Sir Edward Kemp has not been of the kind designed to excite enthusiasm of a high type, yet his influence both inside and outside of Parliament has, particularly since the advent of his party to power in 1911, been gradually and steadily increasing in strength. Being taken into the cabinet in 1911, although without portfolio, helped But that which strengthened his reputation more than anything else since he entered Parliament seventeen years ago is the businesslike service which he has rendered to the country during the two years he has occupied the chairmanship of the Purchasing Commission. When he was appointed to the onerous position the people of Canada knew enough of his business ability and his integrity to believe that he would fill it with credit both to the country and to himself. The results have more than justified this confidence.

Those who are on the inside say that since his appointment two months ago to the position of Minister of Militia he has inaugurated important reforms of a business character in the administration of the department under his charge. With a man of his business experience, skill and acumen this was a natural concomitant to his occupancy of the office.

Sir Edward Kemp is not a politician of the type that simulates geniality. Some are of the opinion that he is o'er dignified. He certainly possesses a little more dignity than the average man. But that he is overburdened with a supply of this quality is not borne out by the experience of those who know him best. In conversation he is pleasant, while few have a keener sense of humor. When he has time, which hasn't been recently, duck-hunting and fishing are his pastimes.

PERSONAL

MARK WORKMAN, president of the Dominion Steel Corporation, has been appointed a director of the Security Life Insurance Company, at the annual meeting held last week.

ANSLEY G. DUNLOP, of the firm of G. C. Dunlop & Sons, was last week elected a member of the Montreal Stock Exchange. He will act as floor member in place of his brother, Alan C. Dunlop, who is preparing for overseas service.

L. C. HERDMAN, who was elected a member of the Montreal Stock Exchange this week, was until recently associated with the Canada Securities Corporation. He will do business under the name of Herdman & Co., with offices in the Dominion Express building.

GEORGE HUGH MONTGOMERY, K.C., of the legal firm of Brown, Montgomery & McMichael, Montreal, has been elected a director of the Civic Investment Co., to fill the vacancy caused by the death of the late Senator Mackay. Mr. Montgomery became chief counsel for the Montreal Light, Heat & Power Company in May, 1895, which office he still holds. His firm also acts as counsel for the Royal Bank, the Imperial Bank, the Montreal Trust Co., the Dominion Textile Co., the Laurentide Co., the Dominion Steel Corporation, and the Canada Cement Co.

E. A. ROBERT, who has just been elected a director of the British America Assurance Company, and the Western Assurance Company, is president of the Montreal Tramways Company, and also of the Public Service Corporation and the Halifax Tramways Company. In joining the boards of these insurance companies, Mr. Robert becomes associated with a very influential group of financiers, including such men as E. R. Wood, H. C. Cox, Z. A. Lash, Hon. Frederick Nicholls, W. R. Brock, Col. Pellatt and D. B. Hanna.

J. E. LEONARD, ex-M.P. for Laval, has been appointed postmaster of Montreal, in succession to the late J. G. H. Bergeron. Mr. Leonard is forty-five years of age, and is a lawyer by profession. He was elected to the House of Commons for Laval at a bye-election in 1902, and held the seat until defeated, in 1908, by C. A. Wilson, M.P. He was secretary of the council of Laval County. Mr. Leonard's appointment as postmaster in Montreal makes the sixth to that office in fifteen years.

CAPT. THE HON. WM. SHAUGHNESSY'S speech on the occasion of the visit of the Irish Rangers to Limerick, prompts *Freeman's Journal* to remark how strong are the ties that bind generation after generation of the Irish race beyond the seas to the land of their sires. The *Journal* points out that the son of a humble exile is probably the greatest captain of industry in the whole British nation. The *Journal* says: "Lord Shaughnessy's son, who is the second given to the cause of the Allies, the first having paid the supreme sacrifice, has shown that the love of the Motherland in the breast of the exile carries on until the third generation. Limerick is the ancestral home of the Shaughnessys.

CHARLES ED. POTTER, who has resigned as managing director of the City Dairy Company, has been actively associated with that concern since shortly after its organization some fifteen years ago, first as general manger then with the added duties of secretary and for some years latterly as managing director. He has therefore played an important part in building up the organization to its present standing. Recently, and particularly under the trying conditions which have prevailed for some months, Mr. Potter has been feeling the strain of the heavy duties of the office and for the time being he will enjoy a well-earned rest. He plans to take things easy for some months, but those who know his ability expect to again hear of his activities in a business way before very long.

SIR MORTIMER DAVIS, upon whom His Majesty has just conferred the honor of knighthood, is one of Montreal's outstanding captains of industry, as well as one of the most philanthropic and public-spirited of its citizens. Mr. Davis was born in Montreal in 1866, and for many years has been a very active figure in the city's financial and commercial circles. Mr. Davis is president of the Imperial Tobacco Co., of Canada, the success of which has been a notable achievement. He is also president of the H. Corby Distillery Co., and was recently elected a director of the Royal Bank of Canada. He is interested in many other corporations. Mr. Davis was one of the first to recognize the possibilities of tobacco growing in Canada, and devoted a great deal of time and money to conducting experiments, with the result that tobacco growing and its manufacture has taken its place as one of Canada's largest industries. The contributions of Mr. Davis to various patriotic objects since the outbreak of war have been very generous.

FRANCIS MOLLISON BLACK, treasurer and assistant secretary of the P. Burns Company and president of the Calgary Board of Trade has been appointed to fill the vacancy on the Board of Public Utilities created by the death of John Stocks. Mr. Black was born in Kilmarnock, Scotland, in 1870, and started his commercial career in the Postoffice Savings bank, London. After several years' experience in banking and mining circles, he came to Canada, and entered the employ of the British Columbia Bank in 1891. Ten years later he joined the office staff of P. Burns company, Calgary, and has risen to his present high executive position. Agricultural and livestock conditions in Western Canada have always held a great interest for Mr. Black and he has familiarized himself along these lines. He is a member of the Canadian Committee of Agricultural Industry and has been a leading spirit in the Calgary Board of Trade and Chamber of Commerce, of which latter organization he was elected president at the annual meeting a few months ago.

ROBERT HOBSON, president of the Steel Company, of Canada, Limited, of Hamilton, ranks high among the captains of industry in this country. Mr. Hobson, who was born at Berlin, Ont. (now Kitchener), in 1861, comes of a family prominently identified with the development of the country. His father, Joseph Hobson, who is still living, is the eminent engineer who built the tunnel under the St. Clair river for the Grand Trunk Railway, and who also carried out the work of rebuilding the Victoria Bridge at Montreal. Robert Hobson began his business life in his father's office in the Grand Trunk, and later became the secretary-treasurer of the Hamilton Blast Furnace Company. This company was the first producer of pig iron in Ontario, and it had a hard fight in getting this product on the market. In that fight Robert Hobson took a leading part, it being largely due to him that the prejudice of manufacturers and foundry men against the use of the Canadian-made product was finally overcome. He became general manager of the Hamilton Iron and Steel Corporation in 1899, and when the Steel Company of Canada was formed by the merger of plants at Montreal, Hamilton, Mimico, Brantford, and other places, he became the vice-president and general manager. He was appointed to the presidency at the last annual meeting. Mr. Hobson is a director of a number of important institutions, including the Bank of Hamilton, the Landed Banking & Loan Co., the Tuckett Tobacco Co., the Canadian Locomotive Co. at Kingston, and the American Iron and Steel Institute, New York. He is a member of the American Institute of Mining Engineers, and was president of the Canadian Manufacturers' Association in 1908. He is a brother of the treasurer of Canada Steamship Lines, Limited.

CURRENT OPINION

BRITAIN'S SHIPPING SITUATION.

Wall Street Journal.

At the beginning of the war, the world had about 48,000,000 tons of shipping. By every effort, about 4,500,000 tons have been destroyed. Many of these ships would be uninsurable in normal times, and would be classed as obsolete. Some shipowners were on the right side of the account when their old ships were torpedoed, as insurance probably netted them more than a pre-war sale. Ship-building had increased for several years to a point where the situation was saturated. Great Britain had a few thousand ships to spare to carry the trade of other nations. Many ships traded in the China Seas for two or three years without carrying a ton of British freight. Now Britain restricts her transports to trade for the Allies.

Great Britain now has shipyards on a more efficient basis than ever before. In 1913, while Britain was keeping pace with an expanding navy, a record of 2,000,000 tons was made. Under Government supervision this record can now be easily exceeded. A number of shipyards are commissioned to build standard cargo steamers, or Diesel engine ships, of 8,000 and 10,000 tons. These ships are hardly more than power hulls, of such construction that they can be completed within six months. Ships trading with the River Plate are now permitted to load down to the "Indian Summer" Plimsoll mark, adding many tons carrying capacity. This load line is used in the dense waters of the tropics, but as a war emergency it is now permissible in northern latitudes. Deck loads are now sanctioned; and by this alone, half a million tons capacity is added to British shipping.

Not to be ignored is the construction of ships for Great Britain in China. Labor is cheap in the Orient, and when the industry is in full swing, China is expected to supply a big proportion of its own raw material. At present, ships of 10,000 tons are being built for England.

Next to the consignees of cargoes, marine insurance underwriters are most interested in shipments. As they carry the risk of loss, they make it their business to exhaust every means of information. For actuarial computation, it is essential that they have reports of all losses, and rely upon their judgment and information for future losses. They are frequently confidentially informed, and their records are surprisingly complete. They are the best judges of marine perils. They operate on a strictly business foundation—to make a profit—but the margin of safety they set on the declaration of the ruthless campaign was 10 per cent.

There has been a recession from this rate, and such vessels as Cunarders can get 8 per cent. quotations for cargoes. A 10% premium allows an underwriting profit, estimating that more than ninety ships out of a hundred arrive at destination. But Great Britain carries insurance at 2 1-10 per cent., and increasing volume is passing through the Government bureau. In short, the insurance rates disparage the submarine activity.

The only ships restrained are American vessels. British shipowners will send ships wherever there is a profit, and when they stop the Government will take command. There will be no dearth of sailors, as it is a choice of joining the army or navy, or having more freedom on a merchant ship, with better pay and war bonuses.

WORLD UNDER MORGAN BAN.

From *Editor and Publisher*, New York.

On Wednesday of this week, when reporters called for the usual daily conference with the heads of the banking house of J. P. Morgan, they were met by Mr. Morgan himself, instead of by a representative. He turned at once to the representative of the New York World and said:

"I regret very much that I cannot talk to a World man, or in the presence of a World man. I know you have been coming here for a number of years, and I mean this to have no personal reflection or bearing. My meaning is directed toward the paper you represent."

One of the great achievements of the World under Joseph Pulitzer was to disrupt in the Presidential Administration of Grover Cleveland plans for the issue to a syndicate headed by the late J. Pierpont Morgan of $63,300,000 of Government bonds at a price which would have meant a tremendous profit to the syndicate. As a result the bonds were taken up at popular subscription.

The feeling engendered by this action was heightened during the recent exposure of the methods of financial administration of the New Haven, in which the World played the leading part.

SHALL AMERICA'S PROSPERITY CONTINUE?

Prominent Financial Authority Argues That Continuance of Prosperity Depends Upon Policy of United States in Extending Ample Foreign Credits.

By Thomas W. Lamont, of J. P. Morgan & Co.

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I have been asked to present some of the reasons why those who have been active in issuing foreign loans here believe such a policy to be wise in the permanent interests of American trade and industry. In encouraging American investors to make loans to Canada, France, Great Britain, Russia, and Italy, and to other European as well as South American countries, we have had chiefly in mind a continuance of this country's present prosperity:

First: The Upbuilding of Our Export Trade.—Our exports of merchandise have increased from $2,355,000,000 in the year ending June 30, 1914, to $4,334,000,000 for the similar twelve months of 1915, and to a figure estimated at over $5,000,000,000 for the calendar year 1916. Sixty per cent. of our merchandise exports is being shipped to Great Britain, France, and Russia. The officials of these Governments have always made it clear that they could not continue to purchase American farm produce and manufactured goods upon the present scale, unless America granted them reasonable time in which to pay for a part of their purchases. Such credit operations have always been part of the commercial intercourse of civilized nations, and have been perhaps the most important single factor in building up international trade.

The great credits which countries like Great Britain and France hold all over the world largely represent debts owing to them for goods which they have sold and shipped.

The strength, in both a commercial and financial way, which this great volume of credits has yielded to these countries, is almost incalculable.

With our export trade amounting to $60 for every man, woman and child in the country (as against $25 in 1913), it must be clear that our foreign transactions not only concern business men and bankers, but touch the livelihood of all the 110,000,000 people in this country. A few figures will emphasize the truth of this statement, showing the values of the chief articles exported in 1916 as compared with 1913:

	1913.	1916.
Wheat	$ 89,000,000	$215,000,000
Flour	53,000,000	87,000,000
Oats	13,000,000	48,000,000
Meat and dairy products	153,000,000	291,000,000
Horses	4,000,000	73,000,000
Mules	700,000	23,000,000
Boots and shoes ...	18,000,000	47,000,000
Woolen goods	4.000.000	54,000,000
Cotton goods	53,000,000	112,000,000
Chemicals	26,000,000	124,000,000
Iron and steel manufactures	304,000,000	621,000,000
Machine tools and metal-working machinery	16,000.000	61,000,000
Automobiles	31,000,000	97,000,000

Thus it must be plain that every part of the country is vitally interested in our export trade: the farmer in the West, the cotton grower in the South, the miner in Pennsylvania and Arizona, as well as the manufacturer in the East. It is with this picture in mind that we must consider seriously the fact that, if we fail to extend credit to Great Britain, France, and Russia, these countries will be compelled drastically to cut down their purchases in America. Realizing this and believing their notes, payable in dollars, to be a sound security, we have urged upon America's growing investment community the necessity of granting credit to these and other nations.

Second: The Gold Situation. — Since January 11, 1915, this country has, through import of the metal, increased its stock of gold by about $900.000.000, to a figure of approximately $2,700,000,000. According to the official reports, the stock of gold in the central banks in England, France, Russia and Italy aggregates approximately $2,000,000,000. Gold in itself does not constitute a nation's chief wealth or resources; indeed, the proportion of a country's wealth represented by its stock of gold is relatively insignificant. For example, America's total wealth to-day is estimated at upwards of two hundred billions of dollars. Further, the importation of gold is not even the principal, far less the sole, benefit which a country derives from its foreign trade. Its benefit lies almost wholly in the exchange of goods. Foreign trade encourages greater and more effective division of labor. It stimulates production to top capacity, thereby increasing the real revenue and wealth of the country.

Shall We Cripple Our Customers?

The popular notion that money or gold—the terms are commonly used synonymously—represents wealth naturally arises from its double function as an instrument of commerce and as the measure of value. But economists and publicists long ago recognized that accumulation of excessive supplies of gold by a country is detrimental to its foreign trade; indeed, is likely to prove a menace to real prosperity. For the last half century or more gold has been used in the settlement of the usually insignificant international trade balances that have existed after the giving and taking of credit instruments. In other words, Great Britain and France have been in the habit for decades past of drawing upon America for comparatively minor quantities of gold. The bulk of our floating indebtedness to them they have canceled through the purchase of our securities: in other words, by lending America money. It was, for instance, estimated that at the outbreak of the war the amount of the foreign holdings of American securities was in the neighborhood of $6.000.000,000; this figure having been greatly reduced by our repurchase of our own securities in the last two and a half years.

But should America now insist that her valued foreign customers continue to reduce their stocks of gold at the present unprecedented rate, the result would conceivably be as disastrous for America as for her customers abroad. If our present stock of gold, now at a height unprecedented for any country in the world's history, be augmented by another $1,000,000,000 of the metal, expansion of credits would be likely to lead to an era of speculation and of inflated prices; to invite calamity upon our business community, with consequent severe reaction and industrial depression. No man can say that this must of necessity be so; for it is, of course, possible that a people, in the face of rapidly expanding credits, may practice a self-restrain which will cure or mitigate the evils which have usually flown from such a condition. In forecasting the future, however, the prudent man can base his predictions only on what has really happened.

Moreover, and at the same time, continued heavy importation of gold would so drain our best customers abroad of their usual medium of exchange, gold, that we should probably witness long-continued hard times and inability, on their part, to buy largely of our products. It is an axiom of sound business that the seller of commodities cannot continue to prosper unless the purchaser also continues in well-being. Yet a proposal to deny ample credits to these rich countries abroad, and to compel them to drain themselves of gold, means that we shall deliberately impoverish and cripple the customers whose trade is now making us wealthy, and whose good-will and custom we are naturally anxious to preserve for the years after the war.

The Advantage of Lending.

Further, if, by denying reasonable credit to our customers, we should continue to insist upon payment for our goods in gold, we might conceivably attain the position anciently held by Spain and Portugal: we might, to be sure, have a great superabundance of gold, but at the same time arrive at a point where our exports should have suffered a great decline—a falling off almost inevitable if we deliberately discourage our best customers from buying off us. If, on the other hand, we shall invest a reasonable portion of our resources in credits to our customers, we shall put a salutary check on speculation and inflation. Furthermore, by extending credit we shall, in effect, be making prepayment for our future imports. I think none will venture to deny that we shall want large quantities of Europe's goods after the war. Many also will concur in the view that, if—with an excess supply of gold—we run into a period here of credit inflation and steadily rising prices, Europe will be stimulated to sell in our markets more goods than we want. It must be plain, on the other hand, that, by holding a large amount of Europe's promises-to-pay, America will be able to keep a measurably strong control over the whole situation, just as Great Britain and France have for years been wont to do. It may be significant to note here that the imports of the United States from Great Britain in 1916 were $13,000,000 greater than in 1913.

Third: Changing America from Debtor to Creditor Nation.—The great commercial strength for a century past of Great Britain, and in only lesser degree of France, and the command that they have had over the exchanges of the world, have been due (as has already been pointed out) not simply to the natural resources and successful industries of those countries, but largely to the fact that they have been creditor nations. The world has for generations been paying them large sums in interest. America, on the other hand, has been a borrowing—not a lending nation. But the war has brought about great changes and has hastened the possibility of even more.

This country now, as it would appear, has the opportunity to achieve, probably by the end of the war, a complete reveral of its position, and to become a leading creditor nation. By reason of the fact that international trade is now upon such a vastly heavier scale than ever before, we have had the opportunity of securing within a brief space of three years, a credit position much similar to that which Great Britain and France took generations in the building. At any rate, it is not too much to say that this country has the chance to reverse its international credit position by ten billions of dollars; that is, to wipe out practically its old debt abroad of five or six billion dollars and, in addition, to hold the sound promises-to-pay of its foreign customers to an equal amount.

But to bring about in three or five years such a change, which in normal times could hardly have been accomplished in a half century of active industry and trade, America must be broad and farsighted. I am no better qualified than anyone else to preach this doctrine. But the fact itself must be evident: If America deems it unwise to give her customers time in which to pay their bills, if she considers them unworthy of her credit, if she prefers to have her prosperity begin to halt and fail, then she must abandon thought of becoming the trade and financial market place of the world. It is certain that if we decide that we can get along without the world's trade, we shall find the world agreeing with us.

Fourth: Resources of Great Britain and France.—It would seem almost unnecessary, frightful as is the daily cost of the present war, to debate the resources of these great nations. If we stop to think of it for a moment, we shall realize that countries which engage chiefly in agriculture cannot, in these modern days, carry on an extensive foreign war for a long period. The secret of strength lies in the ability of a nation to maintain its army largely through the export of its manufactures. And it is startling to note that, in spite of their stupendous mobilization of men and industries, Great Britain's exports to the United States alone gained $52,000,000 in 1916 as compared with 1915, and France's sales to us increased $25,000,000. While carrying on a gigantic war, these countries are still able to keep up their profitable foreign trade. The income of the people of Great Britain and Ireland (quite aside from any aid which the colonies might render) is estimated at over $12,000,000,000 annually; that of France at something over $100,000,000,000. Our total loans to these nations aggregate little over $1,250,000,000, if as much as that. But assume that America found it wise to extend a total credit of $8,000,000,000 with interest at not below five per cent. Then the total annual interest charge of, say $150,000,000, would be only a little over one-half of 1 per cent. of the annual income of these two peoples. Yet the power of the governments to tax their people for administration and interest is shown by the fact that the government income of Great Britain alone is figured for this year at $2,500,000,000, a sum forty times as large as the entire annual interest upon Great Britain's and France's total debt to us to-day.

The brief data that I have just given ought to be sufficient to indicate the safety of any external obligation of these countries. For, as has been many times pointed out, the external debt of a country like Great Britain is, in effect, a first mortgage upon her wealth and resources. This principle has been repeatedly recognized. We must also recognize that we cannot measure the earning power of a country in precisely the same way that we can prove the earning power of a railroad, or of a private corporation. In extending credit to countries such as the great European nations, we are bound to consider the character of the people—sentiment, if you please — but more correctly good will. Statistical proofs of the solvency of these countries, based on their tangible wealth and revenue, are interesting and important; but they are really insignificant as compared with the incalculable value of the good will of the British and the French people all over the commercial world. It must be clear that the people of these countries will stop at no sacrifice to keep intact the greatest of all commercial assets. Excellent testimony was given on this point over a century ago by that most German of Germans, Frederick the Great, who said: "Among all the nations of Europe the English nation is the wealthiest. Its trade embraces the globe. Its capital is incredibly large. Its resources are almost inexhaustible."

That, mind you, was one hundred years ago, when England's resources, as compared with to-day's, were insignificant.

Fifth: The Necessity for Prudence.—Nothing can be more commendable, at a time when business is expanding rapidly, than to urge caution upon both our banks and private investors. The aim of every prudent banker is to maintain his institution in sound and liquid condition, to be prepared for unforeseen contingencies. Such a policy is invariably the mark of every sound bank and banker. But it is also a duty of the wise banker to encourage the orderly process of trade expansion, foreign as well as domestic. The banker who deliberately discourages sound export trade invites reaction upon his own local business community. This is a principle which applies to every section of the country. If our exports of cotton, of grain, of metals, of boots and shoes, fall off heavily, such decrease is bound to be felt severely throughout all the producing regions of the Far West and South, probably even more than in the districts given over to manufacture.

There is clearly no method of preventing such decline in prosperity unless all communities of the country co-operate in adopting measures for reasonable extension of credit to the nations that buy our goods. Further, with the almost too rapid pace that our home trade has reached, the average American banking institution to-day seems much more likely to render itself unliquid through excessive domestic credits than through the occasional foreign credits offered to it. Total banking resources in America to-day aggregate about $32,000,000.000. These are, of course, made up chiefly of domestic (local) loans. Compare, then, the total of such loans with the aggregate of foreign credits likely to be held by our banking institutions, even though such credits should, before the war's end, increase materially over the present figures.

Sixth: Sentiment in Business.—When Mr. Morgan, shortly before his death, said "character is more than collateral," the remark excited much comment. Somewhat similarly, the idea of sentiment in business is frequently questioned. Yet, under the term of good will, it is the most important single asset in any business. Bricks and mortar, or mere cash capital, can be replaced; good-will once lost is gone forever.

For 125 years, since the foundation of the American Republic up to the date of August 1, 1914, Great Britain and France extended to this country almost unlimited credit.

They furnished capital to build our railroads, to construct our factories; they lent money to move our crops. They had, as before mentioned, furnished us with our requirements up to an approximate amount in permanent investment of five or six billions of dollars. The additional temporary credits granted by them to us had for years run each season to many hundreds of millions of dollars. A great part of this credit was extended at times when our industries were upon a precarious and doubtful basis.

Even as recently as the time of our 1907 panic the Bank of England, it will be remembered, refused to entertain doubt as to the goodness of our commercial paper and continued, to America's great relief, to purchase the bills of houses that here in America were in somewhat doubtful credit. To-day our export trade is so huge—calculated, as I say, at $5,000,000,000 for 1916—that America's profits alone from this trade ought far to exceed the amount of any possible credits that may be asked of us by England, France, and Russia. Is it too much to suggest that there is some moral obligation due, at this time, from a now rich and prosperous America to valued clients who, in the times of our need, have never failed to grant us the credit wherewith to build up our own prosperity?

A Serious Question to Face.

But the sentimental is not a chief side of the question. The main point is this: America, it would seem, has never before faced, in her industrial and commercial affairs, so serious and yet so clear-cut a situation. By exercising wisdom and generosity, the United States can place herself in the leadership of the world in those affairs that lead to a country's material well-being and thereby furnish it the power to develop more speedily its best ideals. But to turn from the present opportunity, to decline to extend credit generously as well as prudently to our customers abroad, will be to close upon ourselves the door that will never reopen.—(Copyright by P. F. Collier & Son.)

THE CASE FOR SINGLE TAX

Supporters Claim That Effort to Revert to Old System in Western Canada Would Allow Speculators to Evade Responsibility.

By Henry Timmis, Montreal.

It is with much interest that I have read the article in the FINANCIAL POST of Feb. 10, relating to taxation problems, and shall appreciate it if you will find space for reply.

Permit me at the outset to point out that we have not as yet had any test of single tax in Canada, the application of which would mean that all revenue for provincial and federal purposes, as well as municipal or local, would be raised by an annual levy, collected preferably through the local officers, for all these purposes.

In Vancouver, land value only, and in Edmonton land value almost exclusively, are assessed for municipal purposes; in certain other Western centres, such as Moose Jaw, Calgary, Saskatoon, the practice has been to assess land value at its full value and improvements more lightly. Vancouver is sometimes cited as a case of failure of land value taxation, but four or five appeals to the electorate of that city have sustained the system by sweeping majorities. That Vancouver has been over-built, and that there is an enormous amount of unused land within that municipality, is undoubtedly true, but precisely the same thing is true of Montreal, as is witnessed by eleven of the finest and most modern office buildings only 30 per cent. tenanted, dozens of vacant stores, as well as numerous vacancies in several of the older residential districts.

The Case of Montreal.

Montreal has doubled its municipal debt in the past six or seven years, the funds having been used chiefly for the laying of sewer and water pipes, sidewalks and roadways, for most of which there will not be any legitimate demand in the next decade. Within a radius of eight miles from the Montreal post office, which may be regarded as the centre of our business and industrial activity, there is well over three-quarters of the area idle land, used for no productive purposes whatever; in the city of Montreal it is over 60 per cent.; while the surrounding municipalities, such as Westmount, Outremont, Montreal West, Montreal East, Verdun and Hampstead, have in no case less than 45 per cent. idle, and the average over all shows over 85 per cent. of their combined area to be idle land, absolutely stagnant.

Speculators to Blame.

The speculators and sub-dividers who in boom time were insistent on expenditures for municipal services and extensions to make their holdings saleable, are now seeking to evade their liabilities for their share of the enormous expense, by asking assessment reductions, expecting in this way to throw the burden on to the producers and business activities of the city. Their aim is the same as the Western speculators, who, in addition to seeking reduction in assessment, are striving for further evasion by endeavoring to have new taxes imposed on production and activities.

The answer to the categorically stated disadvantages of the Saskatoon system is:—

1. It is the land speculator who was responsible for the carrying of municipal expenditure to an increase of over 100 per cent. in the past eight years, and their attempt to evade their liabilities under existing conditions is indefensible.

2. The capital expenditures made during boom times, which have increased the areas of the municipalities, have likewise increased maintenance charges, such as lighting, street cleaning and watering, police protection, etc., and should be borne by the holders of vacant land, along with those whose land is in use.

3. During prolonged periods of depression, it is difficult for most persons, whether active and enriching elements in the community, or a holder of idle land, to meet obligations, and the depression is no reason for shifting the burden from the speculators to their struggling fellow-citizens.

4. Poor men do not own much, if any, vacant land. One cannot imagine the "poor" man whose taxes in any case on vacant land would be more than a very few dollars annually; and there is no reason why the burden of the poor landholder should be thrown on the poor laborer, clerk, artisan or storekeeper. It is madness to suggest charging the individuals who are using their land, to the advantage of the community, more than the chap who is holding his idle, since, if their sites are of equal value, they are receiving equal service from the community. There is nothing the community is providing the land-user that it is not also providing for the idle holder.

5. The publisher, the printer, lawyer, doctor, architect, editor, teacher, manufacturer, storekeeper, mechanic, clerk and laborer, as well as many others not enumerated, are all contributing to the enrichment, activity and progress of the municipality, and should not be taxed, but the holder of vacant land, as such, is absolutely worthless to the community; in many cases he is non-resident, and in some centres largely alien.

6. The workingman, as such, should be free from tax burdens, but the workingman as a land-holder should pay his share of public services.

In some of the Western cities arrangements have been made to register tax liens against vacant land, giving the holders time in which to pay his taxes, but the more sensible method is to have the property sold for overdue taxes, just as any other property is sold for unpaid debt. In Moose Jaw, sales for unpaid taxes have resulted in stagnant land being made productive, to the advantage of the whole community.

Advantages of Land Tax.

The taxation of land values has the following advantages:—

a. It discourages land speculation and the holding of land idle, which is the basis of economic stagnation and so-called hard times.

b. Land value is created by the presence of population and public services, in contradistinction to labor-produced values. It is both logical and just to take for the community that which the public creates. In five years the population of Detroit increased 400,000, and its land value increased by 400 million dollars. When Henry Ford established his famous minimum wage, it was followed by an influx of population, an increase of rents and land values.

c. Taxes on movables, business and personal property are both difficult and expensive to collect, making the net return to the Treasury but a small part of the money taken from the taxpayers. Land values on the other hand cannot be hidden, are the most easily assessed of all values, and the taxes are certain, and cheaply collected, conforming to Adam Smith's maxims.

d. Exempting business and improvements from the burden of taxation is good business policy, tending to replace stagnation with activity, to the advantage of the bankers, manufacturers, transportation companies, storekeepers, artisans, clerks, laborers and every other class in the community.

If articles not manufactured or grown in Canada were put on the free list, to the advantage alike of the consumers and our industries, we would, with a 1 per cent. tax on land values for federal purposes, and a further one or two per cent., according to locality and social service, raise all the revenue required in Canada for federal, provincial and local requirements.

Greenshields
& Company
Investment Bankers
17 St. John Street
Montreal
■
J. Gordon Greenshields
Richard O. Johnson
Russell D. Bell

TONNAGE AT PORT OF MONTREAL

Season's Showing Satisfactory When Conditions Are Taken Into Consideraton.

Andrew A. Allan was re-elected president of the Shipping Federation of Canada at the annual meeting held at Montreal last week. This will be his seventh term as president. At the meeting a resolution was passed expressing appreciation of the long and faithful services rendered the Shipping Federation of Canada by Colonel Allan and by his family, who have been so closely identified with the shipping business for so long a period. Owing to illness, Col. Allan was unable to be present, and the chair was taken by John Torrance, vice-president.

The reports showed a net increase of tonnage during the year of 164,252. The regular line tonnage entered with the Federation during the season showed a decrease of 35,434 tons owing to the exigencies of war service, but the tramp tonnage entered showed an increase of 199,686 tons, which more than made up for the loss of regular line tonnage.

The figures for this service were as follows:

	1915.	1916	Tons.
Regular line tonnage	510,070	474,626	*35,434
Tramp tonnage..	299,627	499,313	†199,686

*Decrease.
†Increase.

	Tons.
Total tramp tonnage, increase.....	199,686
Total regular line tonnage decrease	35,434
Net increase in tonnage	164,252

Col. Allan, in his report, stated that the number of ocean vessels which arrived at Montreal during the season was 685, a decrease of 130, as compared with last year. The number of trans-Atlantic vessels which arrived showed an increase over last year, but a serious falling off is recorded in the coasting trade vessels, this decrease being principally due to the scarcity of ocean tonnage at present. Vessels which formerly plied on the coasting trade have for the greater part left for other trades where higher rates are prevailing.

Col. Allan reported that the standard of pilotage had improved considerably during the past year. The Government was given credit for this improvement. The list of accidents, while large, were, with one or two exceptions, not of a serious nature.

Exports from Montreal had shown enormous increases, particularly in grain, which had increased 28,000 bushels; flour, with an increase of 2,962,775 sacks; eggs, 93,416 cases; cheese, 290,968 boxes; and butter, 122,694 boxes. Hay exports decreased 740,434 bales, and apples, nearly 20,000 barrels.

The following officers were elected: Col. Andrew A. Allan, president; John Torrance, chairman executive council; J. R. Binning, treasurer; E. W. Foulds, assistant treasurer. Executive council—Col. Andrew A. Allan, W. R. Eakin, J. R. Binning, R. W. Reford, D. W. Campbell, John Torrance (chairman), A. H. Irving, A MacKenzie.

RUSSIAN-AMERICAN TRADE.

How United States Has Been Getting Supplies.

The European war broke down the former methods of purchasing Russian raw materials and necessitated the organization of new forms of procedure. In September, 1915, through the efforts of the Bureau of Foreign and Domestic Commerce and the Russian commercial attaché, Russia and the United States entered into an agreement that embargoed goods for which export permits were granted might be sent from Russia to the United States consigned to the Secretary of Commerce, provided it was guaranteed that they would not be re-exported, and provided the value of the shipment in dollars was deposited with the National City Bank of New York.

In the last 18 months there has been imported about $6,000,000 worth of Russian goods, chiefly raw materials. The value of goods for which applications for export have been filed by American firms is $25,500,000. Export permits granted represent $14,000,000, export permits refused represent $6,600,000, and export permits pending represent $4,900,000. The value of bonds filed was $13,000,000, and of deposits in the National City Bank $621,000. The value of goods released through the Secretary of Commerce was $5,000,000, and through other sources $1,006,585. Through its connections in Moscow, Petrograd, and Kief, the American-Russian Chamber of Commerce has been able to facilitate the movement from Russia of about $1,500,000 worth of goods.

MONEY IN MEXICO.

Fixing Value of Peso in Relation to Foreign Currency.

In view of the rise which silver has taken recently in foreign markets the Department of Finance will fix the value of the silver peso with relation to foreign moneys. As we have known, the new disposition of the Department of Finance in this respect tends to benefit the general interests of the country, considering that as the value of the Mexico peso in the foreign markets is more than 50 cents gold, it is not just that the dollar should continue to be accepted as two for one. It is probable that to-morrow they will announce the value that will be assigned to American money.

FRENCH FOREIGN TRADE.

Large Increase in Exports in 1916 a Feature.

Provisional figures give the total value of the foreign trade of France for 1916 as $3,913,094,686, compared with $2,889.820,459 for 1915. The imports increased in value from $2,129,908,242 for 1915 to $2,925,766,516, and the exports from $759,912,217 to $987,328,170. The 1916 figures are based on the 1915 rates, therefore comparisons are not practicable, as no percentage price increase is given for 1916, and military imports are not included.

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NEWS OF THE BOND MARKET

Features of the Week

Dulness continues in the general bond market, with an appreciable softening in the prices of provincial, county and town bonds. Interest in these issues is apparently dead, transactions being few in number and of a forced character. The impending war loan, issue of which is assured for next month, has cast a spell over the market and until it is safely disposed of, there will be little movement in the municipal field. Such business as is being transacted is in higher-yielding goods and the demand for rural telephone and Western school district bonds, which are yielding over six per cent., is strong and persistent. Bidding on new offerings of Eastern municipalities is of a spiritless nature and the supply of these issues is still very small.

STRINGENT RULES FOR THE SALE OF STERLING BONDS

The New Regulations Recently Propounded by the Lords of Treasury.

COMMUNICATIONS BY CABLE

Canadian, American and Newfoundland Securities Cannot be Sold in Any Other Foreign Country or British Possession.

In view of the extent to which sterling debentures have been dealt in during the past two years in Canada and the probability of further efforts on the part of provinces and municipalities to buy up and convert these debentures into dollar securities, the recently promulgated regulations of the Lords' Commissioners of the Treasury will be of interest. The regulations concern the sale abroad of any foreign, colonial and Indian securities, to which the regulations relate and the shipment abroad of the securities in completion of any such sales. The following are the limitations and conditions placed on the sales:—

(1) Such permission shall apply only to securities which have not at the time of sale been included in any Order issued by the Treasury under the Regulations.

(2) Any Foreign, Colonial and Indian securities which have remained since the 30th September, 1914, in physical possession in the United Kingdom and have not since the outbreak of war been in enemy ownership may be sold in the United States of America, the Dominion of Canada or the Colony of Newfoundland, provided that:—

(a) The proceeds of any such sales are remitted to this country forthwith and invested here.

(b) All communications in respect to any such sales are carried out by cable only and not by mail. (Written communications must be confined to confirmation of cables already sent.)

(c) Every telegram or cable which relates to any such sales bears a certificate, signed by the sender, in the following form:—

FORM OF CERTIFICATE.

I (or we) hereby certify that the securities referred to in this telegram (or cable) have remained since the 30th September, 1914, in physical possession in the United Kingdom, have not since the outbreak of war been in enemy ownership, and have not been included in any order issued by the Treasury making them subject to the Defence of the Realm Regulations of 24th January, 1917, and I (or we) undertake that in the event of these negotiations resulting in the sale of any of these securities, such securities will be handled without delay to an approved bank or exchange house for transmission abroad, and that the proceeds of the sale will be invested in this country.

Signed ....
Address ....

(d) When any sale has been thus arranged the completion of the sale and the shipment of the securities to the country in which they have been sold must be effected in the following manner only:—

A dollar draft must be drawn on a New York, Canadian or Newfoundland house and negotiated in the United Kingdom with an approved exchange agent, to whom the securities must be delivered, together with a certificate signed by the person negotiating the sale, to the effect that the draft represents approximately the full sale price of the securities delivered.

(A limited number of banks and exchange houses will be approved by the Treasury for the purpose of carrying out these transactions, which can only be effected through such approved banks or exchange houses.)

(3) United States of America, Canadian and Newfoundland securities must not be sold in any other foreign country or British Possession.

(4) Foreign, Colonial and Indian securities (other than United States of America, Canadian and Newfoundland securities), which have remained since the 30th September, 1914, in physical possession in the United Kingdom, and have not since the outbreak of war been in enemy ownership, may also be sold in any of such foreign countries or British Possessions, provided that:—

(a) The proceeds of any such sale are remitted to this country forthwith and invested here.

(b) All communications in respect to any such sales are carried out by telegram or cable only and not by mail. (Written communications must be confined to confirmation of cables already sent.)

(c) Every telegram or cable which relates to any such sales bears a certificate, signed by the sender, in the following form:—

FORM OF CERTIFICATE.

I (or we) hereby certify that the securities referred to in this telegram (or cable) have remained since the 30th September, 1914, in physical possession in the United Kingdom, have not since the outbreak of war been in enemy ownership, and have not been included in any Order issued by the Treasury making them subject to the Defence of the Realm Regulations of 24th January, 1917, and I (or we) undertake that, in the event of these negotiations resulting in the sale of any of such securities, the proceeds of such sale will be remitted to this country forthwith and invested here.

Signed ....
Address ....

(d) When any sale has been arranged the securities may be forwarded to the country in which they have been sold, provided that a certificate in the form set below is affixed to the outside of the parcel and signed by the person who has effected the sale:—

FORM OF CERTIFICATE.

I (or we) hereby certify that the undermentioned securities which have remained in physical possession in the United Kingdom since the 30th September, 1914, have not since the outbreak of war been in enemy ownership and have not been included in any Order issued by the Treasury making them subject to the Defence of the Realm Regulations of 24th January, 1917, are being forwarded to (here state the destination of the securities), where they have been sold, and I (or we) undertake that the proceeds of such sale will be remitted to this country forthwith and invested here.

(Here set out the securities.)

Signed ....
Address ....

(5) Foreign, Colonial and Indian securities held in physical possession abroad, on behalf of a British subject, and which have not since the outbreak of war been in enemy ownership, may be sold only by special permission of the Treasury, for which application must be made to the American Dollar Securities Committee, 19, Old Jewry, E.C., who will either purchase such securities on behalf of the Treasury, or will give the necessary authorities and instructions as to the methods to be adopted for their sale.

(6) The permission given by this announcement for the removal of securities from the United Kingdom applies only to securities the sale of which has been already arranged. No such removal for future sales or for any other purpose is permissible without special sanction of the Treasury, for which application must be made to the American Dollar Securities Committee.

(7) All existing regulations in regard to dealing with securities which have not been continuously in physical possession in the United Kingdom, or which have been in enemy ownership, or in which an enemy interest is concerned, will continue to apply in full force to all dealings under this permission.

In the case of an agent signing the certificate, the forms of which are set out in this announcement, he must receive a written assurance from the actual seller that the proceeds of the sale will be invested here.

Following the promulgation of the foregoing regulations, these modifications were made:—

(1) Telegrams and cables, with the certificates required by the notice, must be handed in at the chief Post Office, the Central Telegraph Office, the branch office in Threadneedle-street, E.C., or the head post office of towns in which there is an associated Stock Exchange, otherwise they cannot be transmitted.

(2) Paragraph 6 should read:—

"The permission given by this announcement for the removal of securities from the United Kingdom applies only to securities the sale of which has been already arranged at the time of removal. No such removal for the purpose of prospective sale, or for any other purpose, is permissible without the special sanction of the Treasury, for which application must be made to the American Dollar Securities Committee."

(3) Sales will be permitted subject to the other conditions being fulfilled, notwithstanding that the proceeds are not reinvested in the United Kingdom, provided that the proceeds of such sales are *bona-fide* required for use in the United Kingdom for other purposes and will not be transmitted abroad and in such cases the form of certificate may be varied by substituting the words "Retained here" for "Invested here" at the end.

(4) Where a telegram or cable is subsequently confirmed by letter, a duplicate of the certificate attached to the telegram or cable must be enclosed in the letter.

(5) In view of the postal regulations of foreign countries, certificates must not be pasted upon parcels, but they must either be attached under separate cover, or enclosed in the parcel, which will in all cases be opened by the Censor.

(6) Drawn securities or maturing securities may be collected abroad in the following manner:—

They must, if payable in the United States of America, the Dominion of Canada, or the Colony of Newfoundland, be negotiated through an approved Bank or Exchange House. In the case of payment in other foreign countries they may be transmitted to the country where they are payable, but must be accompanied by a Certificate in similar form to that required in the case of securities transmitted abroad on completion of a sale.

(7) Coupons of securities (not at the time of transmission subject to any Treasury Order under the Regulations) may continue to be sent abroad for collection as they become due as heretofore without any special certificate under the Notice.

London is in the market for some short term money. Bond dealers were invited during the week to make offers for $550,000, six month notes, dated March 8, and issued against long term collateral of $560,000 face value. $500,000 of the money is to be paid in New York and the balance in London.

NEW WAR LOAN IMPENDS OVER BOND MARKET

Annoucement Expected This Week, but Has Been Postponed for Awhile.

AMERICAN MARKET THE KEY

When Conditions Across the Line Clear Up, Flotation of Loan Will Be Proceeded With at Once.

Preparations for the placing of the third Canadian war loan are absorbing the attention of the bond houses at present, to the practical exclusion of all other considerations. The Finance Minister has been in much closer touch with the bond dealers this time than in either of the two preceding cases, and as a result, not only is the loan being produced on lines more in harmony with the views of the bond men, but the selling arrangements are being perfected on much more satisfactory lines. Sir Thomas White evidently appreciates more than before that the success of the loan is dependent on the efforts of the bond dealers and he is following a wise course of action when he takes these experienced men into his confidence.

Announcement Delayed.

At time of writing there is absolutely no definite official information available regarding the amount or terms of the loan or the date of issue. An announcement on Monday, which appeared on its face to have some semi-official sanction, indicated that the loan would be announced towards the close of the week. A day or so later, however, it was stated that the announcement would be postponed for awhile. If these hints were dropped by the Finance Minister himself, then the inference is that he had changed his mind in the interval. It is known that Sir Thomas was in conference with a committee of the Bond Dealers' Association during the week, and it is not improbable that the result of this interview was to defer action for a time.

Waiting for United States.

The most probable reason for delay is the unsettled condition of the American market, where it is not unlikely that a huge national loan will be floated in the near future. To put out a Canadian loan, which will be sold largely in the United States, in face of such an event, would likely result unfavorably, whereas to bring it out immediately afterwards, would be much more advantageous. The undoubted success of an American loan would create a favorable sentiment in the market, while the higher yield of a Canadian loan would bring it into immediate favor with American investors.

Terms of the Loan.

There are rumors afloat as to the size and terms of the loan, which evidently have some basis in fact. That it may run to $150,000,000 is not improbable, while it is generally supposed that the bonds will have a 20-year maturity. The rate of interest would of course be 5 per cent., and the price would be such as to net a yield between 5.40 and 5.50 per cent. These, however, are mere surmises, for it is quite possible that changes could and would be made at the last minute.

Bond houses have already started to circularize their clients, and a very vigorous campaign is anticipated. If, as is expected, the bonds will be made payable in New York, as well as in Canada, the field of effort will be greatly extended.

FEW ISSUES THIS WEEK.

Only a Matter of Three or Four Issues Have Been Placed.

The largest issue to be placed this week was that of the County of Renfrew. This consisted of $100,000, 5½ per cent., 10-year, patriotic debentures. These were awarded at 100.078 to Aemilius Jarvis & Co. Following were the bids received:—

Aemilius Jarvis & Co.	100.078
C. H. Burgess & Co.	100.060
Bank of Ottawa, Pembroke	100.000
Brent, Noxon & Co.	99.763
A. H. Martens & Co.	99.507
Canada Bond Corporation	99.337
R. C. Matthews & Co.	99.300
Imperial Bank	99.280
A. E. Ames & Co.	99.070

The Owen Sound issue, consisting of $12,705.03, 5 per cent., and $2,888.75, 5½ per cent., 20-year local improvement debentures, was awarded to G. A. Stimson & Co. The price paid for the two lots by the purchasers, was $14,924.75, and the following tenders were received:—

G. A. Stimson & Co.	14,924.75
Brent, Noxon & Co.	14,861.00
C. H. Burgess & Co.	14,835.92
Imperial Bank	14,717.00
Canada Bond Corporation	14,641.94
R. C. Matthews & Co.	14,636.65

The town of Renfrew, which offered $9,628.81, 5 per cent. bonds, for sale by tender, awarded the issue to A. H. Martens & Co., at $9,007. Five offers were received for the bonds, which ranged as follows:—

A. H. Martens & Co.	9,007
C. H. Burgess & Co.	9,002
R. C. Matthews & Co.	8,988
Brent, Noxon & Co.	8,951
G. A. Stimson & Co.	8,861

G. A. Stimson & Co. report the purchase of an issue of $3,600, 5½ per cent., 11-instalment telephone debentures of Bruce Township, for which the price paid was 100.03. They have also purchased $5,419.43, 5 per cent., 10-instalment, debentures of the Township of Osgoode, at 97.21.

With an overdraft from last year of between $160,000 and $165,000, and with uncontrollable expenditures increased by $225,000, Hamilton's tax rate will have to be at least 24 mills this year, according to a member of the Board of Control. However, the Board of Control is working hard to bring it down to 23 mills.

R.C.Matthews & Co.

Government and Municipal Bonds

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DOMESTIC WAR LOAN

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TENDERS WANTED.

Cochrane, Ontario

$40,000 Guaranteed Debentures

SEALED tenders will be received up to and including the 20th day of March, 1917, for an issue of $40,000 Town of Cochrane debentures. Particulars of the issue are as follows:

Amount of issue, $40,000, bearing interest at the rate of 5% per annum, with coupons attached for the payment of the interest; interest and principal repayable in equal annual payments over a period of 30 years. Debentures guaranteed by the Province of Ontario; purpose of issue, to make good fire losses, viz., sidewalks, waterworks plant, etc.

The highest or any tender not necessarily accepted. All tenders to be marked and addressed to the undersigned.

H. J. BROWN,
Town Treasurer.

Cochrane, Ont., Feb. 20, 1917.

Municipality of Chapple, Ont.

TENDERS will be received by the undersigned up to 7 p.m., March 14th, for an issue of Debentures. Amount $11,000; 15 equal annual payments, bearing 6%, issued for construction of telephone system.

J. A. McNABB,
Secretary-Treasurer,
Barwick, Ont.

Credit-Canada, Limitée

Government, Municipal and School Bonds

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Municipal Bond Sales for 1916

COMPILED, REVISED AND TABULATED FROM OFFICIAL REPORTS

¶ A list of original purchasers, price and income basis of the Municipal Bonds sold in 1916, showing purpose, amount, interest rate and maturity of each issue. The names of the borrowing States, Counties, Cities, etc., are arranged alphabetically by States.

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Hamilton Cassels, K.C., LL.D., Vice-Pres.
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A. D. Langmuir, General Manager. W. G. Watson, Asst. General Manager.
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To increase the rate of interest earned by your savings is to increase the savings themselves in a very marked way. Thus, if you save $100 every six months for 10 years, at the end of that time you would have $2,618.33 if invested at 5 per cent., but only $2,347.05 if invested at 3 per cent.

That is, while the yearly amount saved is the same in both cases, the higher rate of interest has added over $271.00 to your capital.

This result can be safely and easily secured by investing in Standard Reliance Mortgage Corporation 5% debentures, which are issued in amounts from $100 to $10,000.

Interest at 5% is payable in cash at your local bank on the day it is due. Principal on the date agreed upon.

An interesting booklet about "PROFITS FROM SAVINGS," which gives some very valuable advice, will be sent free on request. Write for it to-day.

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FIELD OF MUNICIPAL FINANCE

CONVERSION OF STERLING BONDS IS APPROVED

British Treasury States That Extension of These Operations is Most Desirable.

INTEREST OTHER PROVINCES

Measure Helps to Support American Exchange and Meets Large Payments for Supplies Falling Due in United States.

During the course of his budget speech in the Manitoba Legislature last week, Hon. Edward Brown, Provincial Treasurer, dealt at some length with the refunding scheme undertaken last year by the provinces of Manitoba and Saskatchewan, and the city of Winnipeg. As showing the importance of the matter from the viewpoint of British war measures and international finance, he read to the House a communication from Sir Thomas White on the subject, together with enclosures contained in the Finance Minister's despatch. These are of such moment that they should receive wide publicity.

(Copy)

Ottawa, Dec. 14, 1916.

Dear Sir,—I enclose herewith copy of a dispatch from the Colonial Office to His Excellency the Governor-General on the subject of the desirability of substituting dollar bonds issued in the United States for the sterling debts held by the Canadian provincial and municipal authorities in the United Kingdom.

The subject of the dispatch was brought to my attention during my recent visit to Great Britain, and I am now bringing it to your attention, for such action as you in your discretion may deem wise to take, in accordance with the suggestion that representations be made to the provincial and municipal authorities in Canada.

A similar letter to this is being addressed to the treasurers of the different provinces, and at a later date further steps will be taken with the view of settling the project before the municipalities.

Will you be so good as to acknowledge receipt of this letter.

Yours faithfully,
(Signed) T. WHITE,
Minister of Finance.

Hon. E. Brown, provincial treasurer, Winnipeg, Manitoba.

The first enclosure was a short despatch from Rt. Hon. A. Bonar Law to the Governor-General, which it is unnecessary to reproduce. The second was the letter from John Bradbury, Under Secretary of State, to the Colonial Office. It reads as follows:—

(Copy)

Treasury Chambers.
30876|16 18th November, 1916.

Sir,—As Mr. Secretary Bonar Law is aware arrangements have recently been made by the provinces of Manitoba and Saskatchewan and the city of Winnipeg for redeeming a part of their sterling debt held in the United Kingdom out of the proceeds of dollar bonds issued in the United States of America.

These operations which have been undertaken on behalf of the provinces and the municipality by Messrs. J. P. Morgan & Company, of New York in co-operation with His Majesty's government, who have undertaken the work of purchasing the sterling obligations from holders in the United Kingdom, have been of great assistance to the measures which are being taken to support the American exchange and meet the very large payments which fall to be made in the United States of America for supplies which are essential in the conduct of the war, and my lords are now anxious that similar arrangements should be entered into, wherever possible, by other Canadian provinces and municipalities.

Indeed they are of opinion that the extension of these operations is one of the chief ways in which the Dominion of Canada can render assistance to His Majesty's government in the most insistent of the financial problems arising out of the war.

They will therefore be glad if Mr. Bonar Law will, through the Dominion government, take steps to bring their views on this subject to the attention of all the Canadian provincial and municipal authorities, with a view to steps being taken for the substitution of dollar for sterling obligations in all cases in which such arrangements may prove financially possible.

My lords understand that Messrs. J. P. Morgan & Co. of New York, who, as already stated, have dealt with the matter on behalf of the provinces of Manitoba and Saskatchewan and the city of Winnipeg, will be very glad to discuss similar arrangements with any of the other provinces or municipalities which may care to approach them.

I am, etc.,
(Signed) JOHN BRADBURY,
The Under Secretary of State,
Colonial Office.

S. VANCOUVER SELLS.

Three-year Treasury Certificates Issued Against Tax Arrears.

By an arrangement made with Spitzer, Rorick & Co., of Toledo, last week, the municipality of South Vancouver will have in hand the necessary funds to meet debenture interest of $102,000 due in London on April 1. The bond firm purchased at a figure of 97, less the usual expenses, an issue of $475,000 three-year treasury certificates, payable at par in Vancouver. As security, the municipality pledges all arrears of taxes including 1916, but excluding taxes on property purchased by the corporation at the 1915 tax sale. The arrears of taxes total about $710,000. A trust fund will be created, into which all taxes received will be placed until the treasury certificates are retired. The bond firm also agrees to protect the municipality's interests in connection with the renewal or retirement of $799,000 of treasury certificates which fall due next year. Terry, Briggs & Co., also of Toledo, bid 97¼, but without the foregoing proviso. This the Council would not accept.

It is stated that the $450,000 will be used as follows: $240,000 to repay bank overdraft made last year against 1916 taxes; $102,000 debenture interest above referred to, and $80,000 to pay off outstanding liabilities. This would leave less than $28,000 on which to run the municipality during the year, together with the receipts of this year's taxes.

MADE A PROFIT.

Hamilton Buys Up Sterling Debentures in the London Market.

The Hamilton Board of Control made a deal that will net the city a profit of $3,333.30. It decided to repurchase out of the city's sinking fund, debentures to the value of $26,253, that are redeemable in 1931 and 1934. The city originally sold the debentures in the London market for 100½ and 100, and through the Dominion Securities Corporation, is repurchasing them at 86.96 and 85.25. The people who held the debentures now want their money to invest in the British war loan, and City Treasurer Leckie reported that the offer was a good one. Before consenting to the deal, Controller Robson demanded assurance that the city was not making money out of the British investors as a result of war conditions, and also that the money was to be used to assist the Allies.

SURPLUS LARGER.

Municipal Utilities of Brantford Make Good Showing in 1916.

Brantford's three public utilities, waterworks, hydro-electric system, and street railway, made a substantially better showing for 1916 than for 1915, according to the summary of operations, etc., just issued by Arthur K. Bunnell, the City Treasurer. Earnings increased from $239,433 to $260,649, a gain of $21,000, while expenses were only up from $142,404 to $142,544, an increase of $140. This larger profit was, however, diminished by increased interest and sinking fund charges, which amounted to $85,653, as against $77,153 in 1915. Still there was a sufficient balance to admit of double the 1915 appropriation for depreciation, or $20,551, leaving a net surplus of $11,999, as against $9,875 at the end of 1915.

The best showing was made by the hydro-electric system, which, with increased operating expenses and interest charges, was able to raise its surplus from $4,680 to $8,586. The waterworks, on the other hand, though with diminished operating expenses, had a smaller surplus than in 1915, but this was more than compensated for by an appropriation of $7,051 for depreciation, there having been no depreciation provided for in 1915. The street railway still shows a small deficit, though here again $6,000 for depreciation was charged up, as compared with nothing in 1915.

SASKATOON'S INVESTMENTS.

Saskatoon's finance committee are recommending to Council the desirability of selling out the city's holdings of Dominion war loan bonds and investing the proceeds in Anglo-French bonds. The city has $47,500 in the former, this representing part of a balance of capital monies raised for the construction of an incinerator, but not used. As figured out a short time ago, the conversion of $47,500 war loan bonds into Anglo-French bonds, would net a profit of over $2,000, and the interest rate would be raised from 5.30 per cent. to 7 per cent.

The amount of cash at present deposited in the sinking fund which is only earning 4 per cent. interest is $143,621.36. This amount includes $56,250.55, which was set aside for the purchase of City of Saskatoon stock in London.

The total value of stock purchased since November last under the sanction of the Local Government Board, is only $7,616, and it seems almost impossible to obtain this stock on the London market at the present time. The price at which the stock was being purchased yielded approximately 6 per cent.

Money By-laws

Those investors who wish to keep in touch with the municipal bond market will find this department useful. It aims to be accurate and convenient. THE FINANCIAL POST makes a specialty of municipal bond news. Municipalities will find it to their advantage to send in direct news of contemplated bond issues.

TENDERS WANTED.

Feb. 27, Alberta Schools.—$7,900 in three blocks of rural school district debentures. (1) Cloverleaf, $1,200; (2) Millerfield, $1,000; (3) Owlseyes Lake, $500; Dunn Lake, $1,100; Lathom, $1,200; Crystal Creek, $1,200; Richdale, $1,700. All are 7 per cent., 10-instalment bonds. M. C. Elliott, manager Debenture Branch, Department of Education, Edmonton.

Feb. 28, Grantham Township.—$9,928, 6 per cent., 20-instalment bonds of the Township of Grantham, Ont.

March 1, Simcoe.—$44,840, 5½ per cent. bonds of the town of Simcoe, of which $40,000 are 30-instalment, and $4,840 are 20-instalment.

March 20, Cochrane.—$40,000, 5 per cent., 30-instalment bonds of the town of Cochrane, guaranteed by the Province of Ontario, and issued to make good fire losses. H. J. Brown, Town Treasurer, Cochrane. (See advertisement page 12.)

BY-LAWS PASSED OR DEFEATED.

Peterboro.—$60,000 for patriotic fund purposes. Passed by city council, Feb. 9.

Orillia.—$18,000 for completion and furnishing of municipal building. Passed by ratepayers, Feb. 12, by 149 to 51.

Ottawa.—$50,000 to establish and maintain municipal garbage collection system; $75,000 for construction of two public bathing stations, finally passed by council, Feb. 5. $100,000 for patriotic fund and Red Cross fund, passed Feb. 5.

Chatham.—$5,500 bonus to Libby, McNeill & Libby Co., of Canada. Passed by the ratepayers, February 20.

BY-LAWS TO BE VOTED ON.

Feb. 28, Lake S.D., Man.—$16,000 for enlarging existing school building and making alterations thereto. Frank Dobbs, secretary-treasurer, Shoal Lake, Man.

March 2, Ethelbert, S.D., Man.—$12,000 for the purpose of erecting a four-room school house. K. F. Slipetz, Clerk, Ethelbert, Man.

March 3, Midland.—$25,000 bonus to the Midland Dry Dock Co., Limited.

March 5, Preston.—$75,000 guarantee of bonds of the Preston Car & Coach Co., Limited.

CONTEMPLATED BY-LAWS.

Simcoe.—$20,000 for the completion of two ward schools. Will come up at regular meeting of council in March.

APPLICATIONS TO PARLIAMENT.

London.—To confirm and validate by-laws: (1) $80,000 for soldiers' insurance; (2) $10,000 for patriotic fund; (3) $25,000 for London Health Association; (4) $75,000 for London Railway Commission. To authorize corporation to pass by-laws, without obtaining assent of electors, (1) $25,000 for London Railway Commission; (2) $50,000 for extensions to hydro-electric system; (3) $60,000 for extensions to waterworks system.

DEBENTURE NOTES.

Simcoe.—At a recent meeting of the council, the mayor, treasurer and chairman of the finance committee were authorized to to offer for sale $40,000 school debentures, and $4,840 local improvement debentures.

Quebec.—The bonds prepared in connection with the recent loan effected through Wood, Gundy & Co., will have to be reprinted, and a meeting of council was held last Friday to authorize the step. Some objection was raised by the purchasers to the wording of the bonds. The technicality will be amended in a manner to suit both parties to the transaction.

Hamilton.—The Board of Control has agreed to issue debentures to the amount of $30,000 to finance the building of an addition to the Adelaide Hoodless School.

Chatham.—The city council has decided to ask the Railway and Municipal Board to allow the Public Utilities Commission to issue debentures to pay $50,000 to the Chatham Gas Co., for its electrical customers and $65,000 to change the customers' services over to hydro current.

BOND SALES.

$62 Asbestos at 75 to 70; $500 Canada Cement at 97¼; $11,500 Cedar Rapids at 90; $500 Can. Cottons at 82; $4,500 Dominion Coal at 94; $6,000 Dominion Iron at 87; $1,500 Dominion Textile, Series A, at 98; $1,000 Lake of the Woods at 104; $2,000 N. S. Steel at 87; $10,000 Montreal Power at 93¼; $300 Montreal Trams. debs. at 75; $2,000 Ogilvie Flour, Series A, at 103½; $1,000 Penmans at 85; $5,000 Rio Janeiro at 84¼; $1,000 Steel of Canada at 97½; $4,000 Windsor at 80; $4,500 Wayagamack at 89 to 88½; $800,900 War Loan at 98 to 97; $226,500 New War Loan at 89 to 88½.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES.

Date.	Place, Purpose and Purchaser.	Rate.	Term.	Amount.	Price.
Feb. 19—	Renfrew County, patriotic, Jarvis	5½%	10-yr.	$100,000	100.078
Feb. 19—	Owen Sound, local imps., Stimson	5%	20-yr.	12,705	95.71
		5½%	20-yr.	2,888	95.71
Feb. 15—	Renfrew Town, Martens & Co.	5%	26-ins.	6,000	93.54
		5%	30-ins.	3,628	93.54
Feb. 15—	Bruce Township, phones, Stimson	5½%	11-ins.	3,600	100.03
Feb. 15—	Osgoode Township, Stimson	5%	10-ins	5,419	97.21
	Total			134,440	

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Yielding 5½% to 6

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THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA
WATERLOO ONTARIO
ASSURANCES $109,645,581 ASSETS $29,361,963 SURPLUS $4,595,151

British Colonial Fire Insurance Co.
2 Place d'Armes, Montreal

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THE
CANADA NATIONAL FIRE
INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, MAN.

SURPLUS TO POLICYHOLDERS, $1,820,752.82

A Canadian Company Investing its Funds in Canada

APPLICATION FOR AGENCIES INVITED.

Prosperous and Progressive

Up-to-date business methods, backed by an unbroken record of fair-dealing with its policyholders, have achieved for the Sun Life of Canada a phenomenal growth.

More than 166,000 of its policies are now in force for assurances, totalling over $265,000,000—much the largest amount carried by any Canadian life company.

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COMPANY OF CANADA
HEAD OFFICE—MONTREAL

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INVESTORS' INSURANCE NOTES

TWENTY MILLION MARK REACHED BY THIS COMPANY

Excelsior Life Passes This Important Point in Career of Life Companies.

MAKES INCREASE ALL ROUND

Cash Income for 1916 Was the Largest in the History of the Company, While Assets Have Been Materially Strengthened.

At the end of 1915, the Excelsior Life Insurance Company had in force $19,531,687 ordinary policies and $65,641 industrial or monthly policies, a total of $19,597,329. At the end of 1916, insurance in force stood at $21,078,581. The gain, therefore, for the year amounted to $1,481,252, or approximately 7½ per cent. Assurances issued and revived during 1916 totalled $4,656,257, comparing with $3,225,907, a very satisfactory rate of increase.

The company's cash income exhibited a favorable growth. The net premium income in 1915 was $610,619; in 1916, it was $665,139. All other receipts, including interest, rent and cash received for calls on capital, amounted to $252,060 in 1916 as compared with $215,819 in 1915. This gives a total income for 1916 of $917,200, as against $811,908 in 1915, a gain of over $100,000.

Disbursements.

The amount paid during 1916 to policyholders was $311,991, made up of death claims, $101,625; matured investment and endowment policies, $117,829; profits and surrender values, $91,466. The company's experience, so far as death claims is concerned, has been remarkably favorable. Of claims accruing during 1916 amounting to $108,998, only $16,121 arose from the war. The total claims, even including war claims, were only 49 per cent. of the expected. There was carried over until 1917 the sum of $38,314 in death claims awaiting proof.

All other expenses for the year amounted to $305,434, which represents 33.49 per cent. of the company's income. In 1915 expenses, other than payments to policyholders, were $250,875, or 31.08 per cent. of income.

Receipts were in excess of expenditures by $299,773, and this sum has been added to the net ledger assets in the form of increased investments. The important changes of the year in the statement of assets are an increase in the holdings of bonds and debentures from $67,665 to $279,875; an increase in the value of real estate held by the company from $924,319 to $1,007,344; a decrease in mortgage loans from $2,046,354 to $2,030,060, and a decline in policy loans from $405,019 to $402,646. The net gain in ledger assets has been from $3,624,162 to $3,923,936.

The Surplus.

The reserved funds representing the present value of all future obligations under policy contracts, were increased during the year from $3,076,422 to $3,286,263, or by $209,841. The balance of profits on former head office premises is still carried at $53,250. The investment reserve has been increased from $5,099 to $6,410. The excess of assets over liabilities, including $95,000 paid-up capital, is $633,644, which compares with $593,325, as shown in the last Government return.

NOW THE LARGEST.

Farmers' Central Mutual Does the Biggest Business in Western Ont.

The annual report of the Farmers' Central Mutual Fire Insurance Co., shows that the company now carries the largest amount of fire insurance of any mutual company in Ontario, $15,702,939, under 7,687 policies. 2,801 policies were issued during the year, covering property insured to the extent of $5,782,252. Fire losses were heavy, totalling $33,769. The past year was the most disastrous on record for farm losses in Western Ontario. The annual meeting of the company was held recently at Walkerton.

MOUNT ROYAL ASSURANCE

Revenue for 1916 Was Considerably Increased Over That for 1915.

The Mount Royal Assurance Company in its report for the past year shows premium revenue, after deducting re-insurances of $429,605, being $26,759 in excess of the previous year's income. Interest from the company's investments amounted to $51,511, making the total net income for the year $481,117. The losses paid including provision for all losses outstanding and deducting re-insurances, were $215,521. The net earnings of the company amounted to $117,289. The reinsurance revenue fund with the requirements of the insurance department, now amounts to $268,879, and the amount at the credit of the profit and loss account is $415,114. Besides the regular dividend of 8 per cent., the directors declared a bonus of two per cent. during the year, making a distribution of $25,000 to the stockholders. The total assets of the company are now $1,225,758, as compared with $1,043,527 at the beginning of the year, an increase of $182,231.

WAR CLAIMS.

Found to be Usually for Small Amounts by Mutual Life.

During 1916, 179 policies in the Mutual Life Assurance Co., of Canada, became war claims, the principal involved being $314,031. In his address at the company's annual meeting, George Wegenast, the managing director, stated that of these 179 policies, 65 per cent. were for comparatively small amounts, showing that the poorer classes were the most benefited.

Referring to the effect of the war upon the securities held by the company, Mr. Wegenast showed that during the first two years there had been a steady depreciation. In the third year, this had been halted and a steady upward trend had become noticeable, due largely to the growing confidence in the satisfactory outcome of the war. During 1916, the value of the Mutual Life's securities had risen by $153,670.

BRITISH COLONIAL.

Assets Reported to be Very Much in Excess of Liabilities.

The fifth annual meeting of the shareholders of the British Colonial Fire Insurance Company was held on the 14th instant at the head office of the company in Montreal. The directors' report shows that at the 31st December, 1916, the ledger assets amounted to $257,930.94, and the total assets to $1,180,103.70; the liabilities, excluding paid-up capital, totaling $116,493.36.

The British Colonial is a Canadian company, having a subscribed capital of $1,000,000. The Hon. C. E. Dubord was re-elected president, and the directors, whose term had expired, were re-elected for the current year.

It is being suggested in Toronto that the city might carry its own fire insurance. At present $4,820,197 insurance is carried on civic property, the annual premiums being $46,756.

The Huron Weather Insurance Mutual Company has had a prosperous year. 1,067 policies were written, covering insurance to the amount of $1,254,850, and at the end of the year 2,370 policies, aggregating $2,749,920 were in force. Losses were $2,038, and the cash balance at the end of the year, $6,344.

E. A. Robert, president of the Montreal Tramways Company, has been appointed a director of the British America Insurance Co., and the Western Assurance Co.

The 25th annual meeting of the Howard Farmers' Mutual Fire Insurance Co. was held in Ridgetown last Saturday. Receipts for the year were $10,369 and disbursements, $10,235. The year was a heavier one than usual, but the company was carefully operated and came out with a balance on the right side.

A new business block, to occupy the site of the old Mansion House, at the corner of East Main and Cross streets, Welland, will be erected shortly by Wm. Swayze. The block will have a frontage of 40 feet on East Main street and 100 feet on Cross street, and will consist of two storeys and basement. The ground floor and basement will be occupied by the F. W. Woolworth Co., who will open a branch of their 5 and 10 cent stores in the premises.

DOMINION LIFE'S BUSINESS GROWS BY TEN PER CENT

Business in Force is Now Approaching the Twenty Million Dollar Mark.

DEATH LOSSES VERY SEVERE

Net Surplus Enlarged by $32,000 After Ample Provision Had Been Made to Provide for Contingencies.

The percentage of growth reported by the Dominion Life Assurance Company durng 1916 is 9.95 per cent. Business in force at the end of the year amounted to $19,308,676, an increase over 1915 of $1,746,970. New policies were issued and old policies revived during the year to the amount of $4,032,887, which was $629,482 better than in 1915, but owing mainly to heavy lapses, which amounted to $1,125,177, the net gain in busness in force was not as large as it might very well have been.

The net premium income for the year was $613,080, and from interest and rents there was received $253,305, comparing with $523,102 and $216,150 for these items in 1915. Total income reached the substantial aggregate of $870,901, which was $130,000 in excess of receipts for 1915.

Death Claims Heavy.

The experience of the Dominion Life in the matter of death claims seems to have been unusually heavy. Actual payments amounted to $128,859, while $33,400 stands as a liability carried over into 1917. Claims accruing, including reinsurance, amounted to $192,688, which is nearly 75 per cent. of the expected losses. The war loss accounted for 18 per cent. of this total, leaving 55 per cent. of the expected for ordinary losses. In view of all the conditions surrounding last year's business, this percentage is not at all out of the way.

There was paid to policyholders in all, the sum of $309,205, as against $265,311 in 1915. All other payments amounted to $220,938, which is $25.39 per cent. of the total cash income. In 1915, these expenses were 26.8 per cent. of the income, which shows a gratifying decrease in the comparative cost of management.

Assets and Liabilities.

The cash balance from the year's operations amounted to $340,758, as against $275,865 in 1915. This sum was carefully invested. The statement of assets shows an increase in holdings of bonds and debentures from $216,648 to $405,563; a decrease in mortgages from $3,036,160 to $3,015,565; an increase in policy loans from $277,286 to $285,712, and an increase in real estate from $37,166 to $94,047.

The net reinsurance reserve has been increased from $2,906,038 to $3,199,261, and allowing for death claims unsettled, matured endowments, dividends due and unpaid, and other expenses, total liabilities reached the sum of $3,269,834. The balance, which may be regarded as the policyholders' surplus, was therefore $1,037,999. Deducting, however, the shareholders' account of $198,052, which includes the paid-up capital of $125,000, and a contingent fund of $100,000, the net surplus, as would be shown in the Government report, is $739,947. This compares with $707,819, as exhibited in the 1915 return. In view of all the circumstances, the heavier death losses, the necessity of keeping reserves up to standard and the large amount set aside for contingencies—this showing may be regarded as entirely satisfactory.

As a reward for having headed all the local districts in the United States and Canada in the proportionate amount of business written, the Hamilton district field force of the Prudential Insurance Co., of America, were tendered a banquet by the company last Monday evening in Hamilton. Representatives were present from the head office, Newark, N.J., and the entire local staff was on hand. Superintendent C. L. Boyd, of Hamilton, occupied the chair.

Western Assurance Company

(Fire, Explosion, Ocean Marine and Inland Marine Insurance)

HEAD OFFICE, TORONTO, ONT.

Assets over - - - - $ 4,000,000.00
Losses paid since organization over - - $63,000,000.00

W. R. BROCK, President. W. B. MEIKLE, Vice-President and General Manager. C. C. FOSTER, Secretary.

Chief Office for Canada, TORONTO

LONDON & LANCASHIRE FIRE INSURANCE COMPANY

ALFRED WRIGHT, MANAGER

Judge by Results

There must be some good reason why The Great-West Life Assurance Company wrote over Twenty-five Millions of Insurance during 1916—and now has a Business in force of over $133,000,000.

The reason is—the proven VALUE of The Great-West Policies. High interest earnings on investments, and low operating expenses, have effected remarkable Results for Policyholders.

Ask for personal rates, stating age.

The Great-West Life Assurance Company
Dept. "G."
Head Office - Winnipeg

British America Assurance Co.

(Fire, Hail, Ocean Marine and Inland Marine Insurance)

HEAD OFFICE - - TORONTO

BOARD OF DIRECTORS: W. R. Brock, President; W. B. Meikle, Vice-President and General Manager; Robert Bickerdike, M.P.; John Aird, Alfred Cooper (London, Eng.) H. C. Cox, D. B. Hanna, John Hoskin, K.C., LL.D., Z. A. Lash, K.C., LL.D., W. B. Meikle, Geo. A. Morrow, Augustus Myers, Lt.-Col. Frederic Nicholls, Col. Sir Henry Pellatt, E. R. Wood.

Assets, Over - - - $ 2,500,000.00
Losses Paid Since Organization Over - - $39,000,000.00

The UNION BANK OF AUSTRALIA, Ltd.

Established 1837. Incorporated 1880.

CAPITAL:—
AUTHORIZED and ISSUED £6,000,000
Paid-up Capital..£2,000,000
Reserve Fund....£1,960,000 Together £3,960,000
Reserve Liability of Proprietors.......£4,000,000
Total Capital and Reserve £7,960,000

Head Office: 71, CORNHILL, LONDON, E.C.

DIRECTORS.

HENRY P. STURGIS, Esq. (Chairman).
Arthur P. Blake, Esq.
The Rt. Hon. the Earl of Chichester.
John Dennistoun, Esq.
Hugh D. Flower, Esq.
Charles A. Galton, Esq.
S. R. Livingston-Learmonth, Esq.
William R. Mewburn, Esq.
The Hon. A. R. Mills, M.P.
Robert C. Nesbitt, Esq.
Frederick G. Parbury, Esq.
Sir Westby B. Perceval, K.C.M.G.

Manager—ARTHUR C. WILLIS.
Assistant Manager—WILLIAM J. ESSAME.

The Bank has 41 Branches in VICTORIA, 38 in NEW SOUTH WALES, 19 in QUEENSLAND, 14 in SOUTH AUSTRALIA, 22 in WESTERN AUSTRALIA, 3 in TASMANIA, and 44 in NEW ZEALAND. Drafts upon these Branches are issued by the Head Office, and may be obtained from the Bank's Agents throughout the world. Commercial and Circular Travelling Credits issued — available throughout the world. Cable Transfers are also made. Bills on the Australian States and Dominion of New Zealand are purchased or sent for collection.

ROYAL BANK OF SCOTLAND

Incorporated by Royal Charter 1727.
Paid-up Capital - - £2,000,000
Rest & undivided profits £800,986

Head Office
St. Andrew Square, Edinburgh.
Cashier and Gen. Manager, Adam Tait. Secretary, A. K. Wright.
London Office, 3 Bishopsgate, E.C.
Wm. Wallace, Manager.
Glasgow Office, Exchange Square.
A. Dennistoun, Agent.
167 Branches throughout Scotland

Banking business of every description transacted. Accounts opened and agency business undertaken for Foreign and Colonial Banks and other financial establishments. Bills, Cheques and other documents collected. Drafts, Circular Notes and Letters of Credit issued—available throughout the world. Cable transfers are also made. Deposits received at interest repayable at call or at notice. Correspondence invited.

REAL ESTATE AND MORTGAGES

ADVOCATES AID TO WORKMEN WHO BUILD HOMES

President of Montreal Real Estate Exchange Thinks This a Patriotic Task.

WOULD GUARANTEE BONDS

Houses, When Built in a Wholesale Way, Can be Run Up Much More Cheaply Than if Erected Singly.

That workmen should be assisted in building homes for themselves, possibly through building companies organized for the purpose, is the belief of Joseph Versailles, president of the Montreal Real Estate Exchange, who has recently been making public some of his views on the subject.

"There is one thing that is bound to come in time," says Mr. Versailles, "and that is either private or municipal loaning of monies on favorable terms so that workmen may be able to build their own homes. In the past they have had little left after paying the rent, the butcher, the baker, and so on; but they are making good money now; they are saving some of it, and if houses are erected for them, and rented to them in such a way that while paying their rent they can pay so much each month towards buying the house, I feel sure that you will see a great many workmen own their own homes. The desire for homes which can be called their own is strong with them now and but one thing is lacking, the supplying of sufficient capital on favorable terms. And when that assistance comes—for myself I believe it would be a patriotic work that any group of citizens might very seriously consider—you will see lots occupied by dwellings that one expected to see remain vacant for some time.

What Can be Done.

"That this scheme of aiding the workmen is feasible has been shown in Montreal East, of which city I am the mayor. By a special law enacted three years ago, municipalities were given the right to guarantee up to 85 per cent. the bonds of companies engaged in aiding workmen to build and own their homes. Seven years ago Montreal East did not have a factory to speak of; to-day it has plants worth in the vicinity of $9,000,000. And of the 7,000 people who work there, only about 100 are not living in Montreal East.

"Since this new law has been passed, three companies have been organized to aid workmen in building homes for themselves. The buildings may be spoken of as four flats, arranged in two semi-detached houses. The houses are being made attractive and though the vital architecture is uniform, the ornamental features are varied. The cost of each of these flats is about $1,200 and the rental per month is from $10 to $12.

How He May Buy.

"If any tenant wishes to own the house in which he is living, provision has been made for that. He is entitled to pay so much a month in addition to his rent. For instance, if a man paid a rental of $12 a month, he will pay about $16.80 a month, and the additional $4.80 will go towards paying for the house.

"As I said before, this is a work that should be taken up from a patriotic standpoint. But even from the standpoint of financial return I am certain that such an investment in aiding workmen to build and own houses would yield a return of 20 per cent. I have gone into the thing thoroughly and I am certain such a profit could be made.

"Of course the only way to make such profits and still put up the houses so that the price will be attractive to the workmen would be to go into the affair on a big scale. Practically everything could be standardized and firms would be asked to bid on the work for a whole group of buildings.

Wholesale Building.

"The advantage of having one firm do all the plumbing, for instance, would be they would have all the materials at hand when wanted, there would not be any delays, and their workmen would become so accomplished in fitting out that particular style of house that the time engaged would be reduced to a minimum. Of course, building would go forward on all the houses at the same time, thus obviating any delays through one class of workmen waiting for the other to finish their portion of the work.

"After going into this matter exhaustively and checking my figures up with a well known city architect, I am certain that a house which it costs $5,000 to build, if built alone, could be put up for $4,000, if built in conjunction with a large number of other dwellings."

BUILDING BOOM PREDICTED.

Montreal Real Estate Man Believes Many Houses Will be Erected.

J. B. Peloquin, a Montreal real estate dealer, foresees a big campaign of house building in the not far distant future. At present, according to Mr. Peloquin, the demand is greater than the supply in the case of house renting from $15 to $25 a month; is about even for houses renting from $25 to $40; and in the case of higher-priced houses, there is an over-supply.

Mr. Peloquin attributes the heavy demand for low-priced houses to the influx of people from the country, attracted by the high wages paid in the munition plants. These people are accustomed to living in separate homes and they want the same in the city. With increasing prosperity they will want to own their own homes. and when this time comes for several thousands of them, there will be a big building boom.

RENTS IN QUEBEC.

Owner of Many Houses in Quebec City Does Not Think Rents Will Rise.

The opinion of a landlord, who has a list of about two hundred tenants in Quebec City, is that there will be no difficulty in obtaining houses to rent in the coming spring. He also believes there will not be any material change in the present rentals. While he could not speak for other landlords in the city he said that he would leave the rents as they had been for the past year. He said he thought the only cases of increases in the rents would be in new houses where, by reason of the increased cost of construction and materials, the owner would naturally have to make more profit.

While it is not likely that there will be any perceptible number of strangers come into the city this spring, there are always newly married couples who take flats or rent houses to start housekeeping. This landlord thought that about one thousand couples get married each year in Quebec.

Since the war started and the price of building materials increased, there has been a decrease in the quality of houses being built. The builders do not want to increase the rent and they therefore detract from the value of the house so that the interest on their investment may remain the same. This landlord has built many houses and the general trend of building construction for investment, he says, seems to be buildings with four flats.

NEW FACTORIES.

Permits Issued in Montreal Last Week for Two Plants.

The Thomas Davidson Mfg. Co. have taken out a permit to erect a plant near the Lachine Canal, between the Canada Car and Dominion Mahogany factories, to cost in the vicinity of $25,000. This plant will have dimensions of 200 x 50 and will be used for the manufacture of munitions while the war lasts and then will be used in the handling of granite.

The Montreal Locomotive Company have taken out permits for the erection of four distinct additions to their plants. All of these buildings will be located on Notre Dame east, and together will cost in the vicinity of $6,300. There will be one 45 x 290 to cost $1,400, a second 84 x 32 to cost $1,400, a third 84 x 32 to cost $1,300, and a fourth 100 x 200 to cost $1,800.

A factory of 190 x 100 is now being completed for the Thompson and Norris Company of Canada in the vicinity of Masson street and the Canadian Pacific tracks. This company formerly sold goods in Canada through their factories in Brooklyn. Boston, and even London, England. They will employ about fifty men and one hundred girls in the manufacture of corrugated paper products.

MUNICIPAL FARMS MIGHT SOLVE PROBLEM

Returned Soldiers Long to be Instructed in Farming.

PEOPLE ARE SAVING MONEY

Farmers Will Need Many Things After War, and This Will Keep Wheels Moving When War Orders Stop.

By A. P. Lesperance, General Manager of the City and District Savings Bank.

Prophesying is a dangerous business these days, but I do not anticipate that the after-the-war slump will be of long or serious duration. The people have been saving their money during these times of strain and uncertainty, and will require many things when the war is over, and confidence is again restored.

Farmers will require more machinery; they will need lumber to build houses and barns, and they will have the money to pay for these things. The high prices which they have been receiving for their produce and, in fact, for everything that they have had to sell, has placed them in a position to make the improvements that they have been contemplating for years. Not only will they need more implements, but they will be in a position to buy more luxuries and comforts than ever before.

The supplying of their needs will go a long way towards filling the gap which will result from the cessation of the enormous war business, which has kept the factories of the country humming for the past two years.

A thrifty nation makes a wealthy nation, and the habits of saving that have been inculcated during the war will be continued after the war, to the great benefit of the country as a whole. Capital thus accumulated will be utilized for the development of the natural resources of the country, and will result in a great revival in industrial and commercial circles.

The problem of the returned soldier is a very serious one, and requires the most careful attention of our Governments and financial and industrial leaders. I believe that a system of municipal farms throughout the country would help a great deal to solve this embarrassing question. My idea would be to have these farms in charge of competent instructors, who would teach the returned soldier the science of farming. Many soldiers without experience in farming might be attracted to the success of the business. In this way each city would be able to look after its own soldiers. The product of these farms would assist in reducing the huge cost of living, and they should be self-sustaining.

These farms would also solve the unemployment problem. Instead of giving a man charity, he could be put at work on these farms, and be allowed to retain his self-respect, and at the same time be adequately remunerated for his labor.

HUGE STEEL CONTRACT.

Value of Steel for Eaton Store Will be Greatest for Any Building Erected.

The Bethlehem Steel Co. has sold 10,000 tons of plain structural steel to Canada, states the ***Wall Street Journal***, where it will be fabricated by the Dominion Bridge Co., for the first section of the Eaton Department store at Toronto. This fabricated steel contract calls for the payment of nearly $1,200,000, being the largest individual contract, from the standpoint of value, ever placed, because of the unprecedentedly high prices now prevailing. Five other sections will be built, each section requiring about 10,000 tons of steel. The building when completed will be 500 to 700 feet and twelve stories in height. It is expected that one of each of the five additional sections will be ordered annually in the next five years. The largest building contracts ever placed in New York city were for the Equitable and the Woolworth buildings. The Equitable is of the heaviest construction, requiring 23,000 tons of steel; the contract for the Woolworth building called for 18,000 tons of steel.

TO INVESTORS

THOSE WHO, FROM TIME TO TIME, HAVE
FUNDS REQUIRING INVESTMENT
MAY PURCHASE AT PAR

DOMINION OF CANADA DEBENTURE STOCK

IN SUMS OF $500, OR ANY MULTIPLE THEREOF

Principal repayable 1st October, 1919.

Interest payable half-yearly, 1st April and 1st October by cheque (free of exchange at any chartered Bank in Canada) at the rate of five per cent per annum from the date of purchase.

Holders of this stock will have the privilege of surrendering at par and accrued interest, as the equivalent of cash, in payment of any allotment made under any future war loan issue in Canada other than an issue of Treasury Bills or other like short date security.

Proceeds of this stock are for war purposes only.

A commission of one-quarter of one per cent will be allowed to recognized bond and stock brokers on allotments made in respect of applications for this stock which bear their stamp.

For application forms apply to the Deputy Minister of Finance, Ottawa.

DEPARTMENT OF FINANCE, OTTAWA
OCTOBER 7th, 1916.

PETERBOROUGH MILK PRODUCTS, LIMITED.

PUBLIC Notice is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 6th day of February, 1917, incorporating Rupert Kenneth Grimshaw, contractor, Edward John Swift, accountant, Fraklin Delos Read, bookkeeper, George Gordon Plaxton, barrister-at-law, and Lily Davis, stenographer, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz.:—(a) To manufacture, sell and otherwise deal in condensed, preserved and evaporated milk, and all other manufactured forms of milk; to produce, purchase and sell fresh milk and all the products of milk; to manufacture, purchase and sell all food products; to carry on business as dealers in and producers of dairy, farm and garden produce of all kinds, and in particular milk, cream, butter, cheese, poultry and eggs, fruit and vegetables; to carry on business as cowkeepers, farmers, millers and market gardeners, and as manufacturers of all kinds of condensed milk, jam, pickles, cider and preserved provisions of all kinds; (b) To manufacture, buy, sell, refine, prepare, grow, import, export and deal in provisions of all kinds, both wholesale and retail; (c) To manufacture, purchase or otherwise acquire, and to sell or otherwise dispose of any or all kinds of goods, wares, chattels and merchandise, and generally to deal in and deal with all species of property, either movable or immovable, capable of being owned; (d) To carry on any other business (whether manufacturing or otherwise) which may seem to the company capable of being conveniently carried on in connection with its business or calculated directly or indirectly to enhance the value of or render profitable any of the company's property or rights; (e) To acquire or undertake the whole or any part of the business, property and liabilities of any persons or company carrying on any business which the company is authorized to carry on, or possessed of property suitable for the purposes of the company; (f) To apply for, purchase or otherwise acquire, any patents, brevets d'invention, licenses, concessions and the like, conferring any exclusive or non-exclusive, or limited right to use, or any secret or other information or to any invention or process which may seem capable of being used for any of the purposes of the company, or the acquisition of which may seem calculated directly or indirectly to benefit the company, and to use, exercise, develop or grant licenses in respect of, or otherwise turn to account the property, rights or information so acquired; (g) To enter into partnership or into any arrangement for sharing of profits, union of interests, co-operation, joint adventure, reciprocal concession or otherwise, with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which the company is authorized to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit the company; and to lend money to, guarantee the contracts of, or otherwise assist any such person or company, and to take or otherwise acquire shares and securities of any such company, and to sell, hold, re-issue, with or without guarantee, or otherwise deal with the same; (h) To take, or otherwise acquire and hold shares in any other company having objects altogether or in part similar to those of the company or carrying on any business capable of being conducted so as directly or indirectly to benefit the company; (i) To sell, improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with, all or any part of the property and rights of the company; (j) To pay for any property, rights and things required by the company or with the approval of the shareholders, for services rendered to the company in cash, fully paid shares of the capital stock of the company or its bonds and debentures; (k) To establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees of the company, or its predecessors in business, or any person, partnership, association or company allied with the company in business, or subsidiary to the company, or in which the company holds shares or securities, or to benefit the dependents or connections of such persons, and to grant pensions and allowances, and to make payments towards insurance, and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibition or for any public, general or useful objects; (l) To amalgamate with any other company having objects similar to those of this company; (m) To invest the moneys of the company not immediately required in such securities and in such manner as may from time to time be determined; (n) To distribute or divide assets of the company in specie amongst the shareholders; (o) To sell or dispose of the undertaking of the company or any part thereof for such consideration as the company may think fit, and in particular for shares, debentures or securities of any other company having objects altogether or in part similar to those of the company; (p) To procure the company to be registered, licensed or otherwise recognized in any foreign country and to designate and appoint persons therein as attorneys or representatives of the company with full power to represent the company in all matters according to the law of such foreign country, and to accept service for and on behalf of the company of any process or suit; (q) To purchase, lease or acquire and develop water or other power and to use the same and to lease, sell or otherwise dispose of any surplus thereof; (r) To do all or any of the above things as principal, agents, contractors or otherwise, and either alone or in conjunction with others; (s) To pay out of the funds of the company all or any of the expenses of or incidental to the formation and organization thereof, and to employ, contract with and provide for the remuneration of brokers, commission agents and underwriters upon any issue of shares, bonds, debentures, debenture stock or other securities of the company. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Peterborough Milk Products, Limited," with a capital stock of two hundred and fifty thousand dollars, divided into 10,000 shares of twenty-five dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario. Dated at the office of the Secretary of State of Canada, this 14th day of February, 1917.

THOMAS MULVEY,
Under-Secretary of State.

FORD TRACTOR COMPANY OF CANADA, LIMITED.

PUBLIC Notice is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 13th day of February, 1917, incorporating Elizabeth Knox, Emma Pearl King, Mary Elizabeth Cherrier, Eva Leavitt, and Kate Campbell, stenographers, Harry Gordon Keen, student-at-law, and John Francis Boland, barrister-at-law, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz.:—(a) To build, construct, operate, to prepare for market and market motor tractors, engines, machinery and equipment in connection with the manufacture or operations of tractors, including all apparatus, machinery, tools or property useful in connection therwith; to manufacture, buy, sell, exchange, alter or improve and deal in tractors of any kind so constructed as to progress by automatic power, whether by means of electricity, steam, gas, oil or otherwise; (b) To acquire and take over the business within the Dominion of Canada of Ford Tractor Company, Inc., including the patent rights within the Dominion of Canada for the Ford Tractor; (c) To manufacture, buy, sell, exchange, alter or improve, manipulate, prepare for market and otherwise deal in all kinds of plant, machinery, apparatus, tools, utensils, substances, materials and things necessary or convenient for carrying on any of the above specific businesses or proceedings or usually dealt in by persons engaged in the like; (d) To manufacture or trade in property and goods of all kinds; (e) To produce and accumulate steam and electricity or other agencies similar or otherwise, and to use and supply the same for power, light and heating purposes in connection with the business of the company, and to sell and dispose of any surplus steam or electricity for power, lighting and heating purposes, subject to the provincial and municipal laws and regulations; (f) To acquire and take over as going concerns or otherwise the undertakings, assets and liabilities of any person or company carrying on any business in whole or in part similar to that which the company is authorized to carry on or possessed of property suitable for the purposes of this company, and with a view thereto to acquire all or any of the shares or liabilities of such companies; (g) To sell, lease or otherwise dispose of the property or undertaking of the company or any part therof, for such consideration as the company may think fit, and in particular and notwithstanding the provisions of section 44 of The Company Act for shares, debentures or securities of any other partnership, association or company; (h) Notwithstanding the provisions of Section 44 of the Companies Act, to subscribe for, purchase, assume, liability under, acquire, hold, sell, exchange, dispose of or otherwise deal in or contract with reference to bonds, debentures, stocks or other securities or obligations or any estate or interest therein; and to apply or to accept in whole or in part as consideration or satisfaction or security for any contract, indebtedness or obligation to or of the company, property obligations, shares and securities of any kind at such valuation and upon such terms as may be agreed upon; and to apply or to accept as security for any indebtedness to the company, mortgages of land or chattels upon such terms as may be agreed upon; (i) To invest and deal with the moneys of the company not immediately required, and in such manner as from time to time may be determined; (j) To procure the company to be registered, licensed or otherwise recognized in foreign countries and to designate and appoint persons therein as attorneys or representatives of the company, with full power to represent the company in all matters according to the law of such foreign countries, and to accept service for and on behalf of the company of any process or suit; (k) To carry on any other business (whether manufacturing or otherwise) which may seem to the company capable of being conveniently carried on in connection with its business or calculated directly or indirectly to enhance the value or render profitable any of the company's prop-
otherwise acquire, any patents, brevets d'in-
erty or rights; (l) To apply for, purchase or vention, licenses, concessions and the like, conferring any exclusive or nonexclusive, or limited right to use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the company, or the acquisition of which may seem calculated directly or indirectly to benefit the company, and to use, exercise, develop or grant licenses in respect of, or otherwise turn to account the property, rights or information so acquired; (m) To enter into partnership or into any arrangement for sharing of profits, union of interests, co-operation, joint adventure, reciprocal concession or otherwise, with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which the company is authorized to carry on or engage in or, or any business or transaction capable of being conducted so as directly or indirectly to benefit the company; and to lend money to, guarantee the contracts of, or otherwise assist any such person or company, and to take or otherwise acquire shares and securities of any such company, and to sell, hold, re-issue, with or without guarantee, or otherwise deal with the same; (n) To enter into any arangements with any government or authorities, municipal, local or otherwise, that may seem conducive to the company's objects, or any of them, and to obtain from any such government or authority any rights, privileges and concessions which the company may think it desirable to obtain, and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions; (o) To establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees of the company, (or its predecessors in business) or the dependents or connections, of such persons, and to grant pensions and allowances, and to make payments towards insurance, and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibition or for any public, general or useful object; (p) To promote any company or companies for the purpose of acquiring all or any of the property rights and liabilities of the company, or for any other purpose which may seem directly or indirectly calculated to benefit the company; (q) To purchase, take on lease or in exchange, hire or otherwise acquire, any personal property and any rights or privileges which the company may think necessary or convenient for the purpose of its business and in particular any machinery, plant, stock-in-trade; (r) To construct, improve, maintain, work, manage, carry out or control any roads, ways, branches or sidings, bridges, reservoirs, watercourses, wharves, manufactories, warehouses, electric works, shops, stores and other works and conveniences which may seem calculated directly or indirectly to advance the company's interests, and to contribute to, subsidize or otherwise assist or take part in the construction, improvement, maintenance, working management, carrying out or control thereof; (s) To lend money to customers and others having dealings with the company and to guarantee the performance of contracts by any such persons; (t) To draw, make, accept, endorse, execute and issue promissory notes, bills of exchange, bills of lading, warrants and other negotiable or transferable instruments; (u) To adopt such means of making known the products of the company as may seem expedient, and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations; (v) For itself, its agents or others to acquire by purchase, lease or otherwise, and hold, use and improve, manage, lease, sell, exchange, dispose of or otherwise deal with lands, tenements and hereditaments and immovables and interests therein and to erect, alter, repair and maintain buildings upon any lands in which the company may have any interests, either as principal or agent, or upon any other lands, and to deal in building materials of all kinds; (w) To issue the stock, bonds, debentures or other securities of the company in payment in whole or in part of any of the foregoing; (x) To do any and all things set forth as its objects as principal, agent, contractor or otherwise, and to carry out any or all of the foregoing objects as principals, agents, sub-contractors or otherwise, and by and through trustees, agents, sub-contractors or otherwise, and alone or jointly with any other corporation, association, firm or person, and to do all and everything necessary or incidental for the accomplishment of any of the purposes or the attainment of any one or more of the objects herein enumerated or incidental to the powers herein named, or which shall at any time be necessary or incidental for the protection or benefit of the corporation; (y) The objects specified in each paragraph hereof shall except where otherwise expressed in such paragraph be in no wise limited or restricted by reference to or inference from the terms of any other paragraph or the name of the company; (z) And to do all such other things as are incidental or conducive to the attainment of the above objects or any of them. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Ford Tractor Company of Canada, Limited," with a capital stock of ten million dollars, divided into 100,000 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario.

Dated at the office of the Secretary of State of Canada, this 14th day of February, 1917.

THOMAS MULVEY,
Under-Secretary of State.

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MONTREAL LOAN AGAIN SHOWED HIGH PROFITS

Net Earnings Were at Rate of 13.5 Per Cent. on Capital.

STERLING DEBENTURES FIRM

One of Few Companies Which Did Not Indicate a Reduction of Funds Borrowed in Great Britain.

Improved earnings in the case of interest and in net profits are shown in the annual statement of the Montreal Loan and Mortgage Company for 1916. The interest income was $115,065, compared with $111,757 in 1915, while profits of $81,229 stood against $79,280. The payment of dividends at 10 per cent., interest, general expenses, etc., left a balance of $76,506. to be carried forward, of which $55,277 was brought from the previous report. The following are comparative figures of earnings:—

	1914	1915	1916
Balance	$ 19,057	$ 35,997	$ 55,277
Interst	109,746	111,757	115,065
	$128,803	$147,754	$170,342
Deposit Interest	$ 14,806	$ 11,056	$ 10,989
Debenture Interest.	2,296	7,436	7,617
Sterling Deb.	2,186	450	450
Expenses	12,519	12,385	12,507
Patriotic fund	1,000	....	1,100
Dividends	60,000	60,000	60,000
War Tax	....	1,149	1,173
Balance	35,996	55,278	76,506
	$128,803	$147,754	$170,342

The balance sheet of this company shows comparatively little change. Both sterling and currency debentures, at $160,356 and $10,000 respectively, were the same as last year. In this respect the report is the first of a majority of those of companies doing a loaning business which has not indicated a reduction in the sterling debentures outstanding. However, the fact that debenture interest has increased from $7,436 to $7,617, may be taken as an indication of the increased value of money. Special deposits decreased from $184,793 to $193,674, the total liabilities to the public standing at $362,873, as against $371,335. Cash in the bank has declined from $27,726 to $3,585, but otherwise there was comparatively little change in the statement of assets, the total of which at $1,704,379 was but slightly greater than in the 1915 statement, when the total was $1,691,612. The reserve fund is not increased, the total surplus being left at the credit of profit and loss, but the total at rest of $650,000, places the company in a strong position, being $50,000 greater than the paid-up capital.

The net profits were 13.5 per cent. on the capital, which provided a substantial margin over the 10 per cent. dividend paid. The following compilation gives comparative figures to show the company's earning record:

Year	Paid-up Capital	Profits	Div.	% Profits Cap.	Earn. rate*
1912	$600,000	$76,103	9	12.6	6.5
1913	600,000	77,425	10	12.9	6.2
1914	600,000	76,939	10	12.8	6.0
1915	600,000	79,280	10	13.2	6.6
1916	600,000	81,229	10	13.5	6.3

* Per cent. of capital, reserve and balance at credit of profit and loss.

ESCAPES THE TAX.

Ranching Company in Alberta Appeals Against Wild Lands Tax.

The Baxter Ranching Company, which owns a 14,960-acre ranch nine miles east of Olds, Alta., recently appealed against the right of the province to impose the wild lands tax on its holdings. The land is entirely fenced and has numerous buildings, including a 40,000 bushel elevator. The company could not escape the tax on the ground that more than one-fourth of the land was under cultivation, but it did appeal on the ground that the Act exempts all enclosed land which has been used for the purpose of pasturing cattle which are the property of the owner of the land and upon which cattle to the number of at least one for every ten acres so enclosed have been pastured for six months during the year previous to that for which the tax is assessed.

Subsequent to the passing of the Act, the appellant company leased the entire ranch to P. Burns & Co., Limited. The evidence adduced at the appeal showed that the lessee during the last six months of the year 1915 pastured upwards of 3,000 cattle on the ranch, or more than twice the number required to exempt the lessor company under the Act, had these cattle belonged to the owner of the land.

Counsel for the appellant company contended, however, that in the interpretation, clauses of the Act, the definition of the word "owner" obviously was wide enough to include a lessee where the lease in question was recorded at the land titles office and proof of registration was produced and accepted by his Honor, ex-Judge Carpenter, sitting recently at Red Deer, as persona designata under the Act, to hear the appeal at which judgment was reserved, but has now been handed down in favor of the appellants. The tax if imposed would have amounted to approximately $1,300 per annum.

EASTERN TRUST GOMPANY SHOWED STEADY GROWTH

The Results for the Year An Indication of Benefits of a Conservative Policy.

The annual statement of the Eastern Trust Company indicates that this concern has, like many of those operating more particularly in Eastern Canada, had a very satisfactory year despite the unsettled conditions which have prevailed. The steady growth in earnings has continued, the total net profits of $107,014 comparing with $98,585 at the end of 1915, and $91,864 for 1914. The total income was $133,843, compared with $132,047 and $114,217 for the respective years. Dividends, contributions to patriotic fund, special taxes and directors' fees, took over $95,000. The balance carried forward was $37,998, compared with $26,829 brought from the previous year. Following are comparative figures:—

	1914	1915	1916
Net profits	$ 91,864	$ 98,585	$107,014
Stk. prem.	8,797	22,147	...
Balance forward	13,556	11,315	26,829
	$114,217	$132,047	$133,843
Distribution—			
Direc. fees	$ 7,000	$ 7,000	$ 7,687
Dividends	69,982	75,088	79,832
Khaki Club	...	100	...
Written off bonds.	3,955	...	...
Furniture	1,566	629	630
Pat. Fund	1,100	1,200	5,000
Reserve	19,300	20,700	...
Taxes	...	...	2,696
Balance	11,314	26,830	37,998
	$114,217	$132,047	$133,843

No addition was made to the reserve fund, the total surplus being left at credit of profit and loss. The rest account stands at $250,000, compared with a paid-up capital of $1,000,000. Profits represented 10.7 per cent. on capital and 8.9 per cent. on investment, as compared with a 7 per cent. dividend. Following are features of the earnings record:—

Year	Paid-up Capital	Profits	Div.	% Profits av. cap.	*Earn. rate
1912	$ 747,800	$ 63,331	7	8.4	9.2
1913	904,000	87,249	7	9.6	9.7
1914	931,000	91,864	8	9.8	8.1
1915	1,000,000	98,585	8	9.8	8.4
1916	1,000,000	107,013	8	10.7	8.9

*Per cent. of capital, reserve and balance at credit of profit and loss.

The growth of the company's business is indicated by the fact that estates under administration increased $2,000,000—from $14,943,812 to $16,949,952. Guaranteed investments also increased from $92,871 to $104,471. Following are comparative figures illustrating the company's growth since 1910:—

	Capital Account	Guaranteed Account	Estates, etc.
1916	$1,287,997	$104,471	$16,949,952
1915	1,276,829	92,871	14,943,812
1914	1,171,614	35,550	14,437,005
1913	1,127,555	......	12,978,780
1912	895,400	......	11,294,263
1911	685,240	......	10,047,197

THE LADYSMITH SMELTER.

Mining on Vancouver Island Receives Decided Impetus.

By the re-opening of the Ladysmith smelter, mining on Vancouver Island will be given a decided impetus. Col. Stevenson, the well-known Alaska banker and mining operator, with American associates, has already arrived in Victoria, where offices will be opened at once, preparatory to the overhauling and the modernizing of the smelter. It is expected that with the proposed improvements a much greater output will be possible than was the case with the old Tyee management. Col. Stevenson is of the opinion that the smelter will in future treat much of the ore which has been formerly shipped to Tacoma. F. A. Sieberling, head of the Goodyear Tire Co., of Akron, Ohio, is the vice-president of the new company. Others connected with it are Maurice McMicken, of Seattle, and H. Hanson, of San Francisco.

Coffee production of Brazil for its crop year 1916-17 promises a very high record, perhaps the highest in history of Brazilian coffee. It is estimated at probably over 12½ million bags.

TRACK LAYING AFFECTS PROFITS OF LONDON RY

Directors Foresee Difficulties During the Current Period.

GOOD STATEMENT FOR 1916

Earnings Showed Continued Increases Being Helped by the Big Military Camp in May and June.

Evidently little affected at any time by the war conditions—so far as earnings are concerned—the London Street Railway reports a continued increase in profits for 1916. In fact, it is evident from the report of the directors that while some 3,000 citizens have gone with the Overseas forces, thereby reducing the normal traffic, several battalions of soldiers were brought to the city for training and about 12,000 men were in camp during May and June, which had the effect of materially increasing the earnings during those two months. Gross earnings amounted to $426,313, compared with $398,858 for the previous year. Operating expenses were $292,400 as against $275,212, and net earnings $133,913, as against $123,645. Bond interest and taxes brought the net income down to $93,610, compared with $90,852 for 1915. The showing on the capital stock was 16.3 per cent., compared with 16.2 per cent. the previous year. Following are comparative figures:—

Earnings:	1914.	1915.	1916.
Passengers	$370,915	$393,299	$420,704
Miscellaneous	4,979	5,559	5,609
Gross earn.	$375,895	$398,858	$426,313
Expenses:			
Maintenance—			
Way & structures.	$ 31,732	$ 35,619	$ 33,845
Equipment	34,669	29,046	50,131
Transportation—			
Power	$ 42,291	$ 38,365	$ 37,994
Car service	123,796	131,308	138,653
General	35,410	40,771	31,775
Total operat. exp.	$267,900	$275,212	$292,400
Net earnings	107,994	123,645	133,913
Reductions—			
Int. on Bonds	$ 31,908	$ 32,769	$ 32,138
Int. on overdraft	40	23	41
Taxes	......	......	8,213
Total deductions	$ 31,948	$ 32,793	$ 40,303
Net income	$ 76,045	$ 90,852	$ 93,610

Of the net income of $93,610, $34,860 was devoted to a dividend of 6 per cent., and $1,000 for directors' fees, leaving a considerable sum to be added to surplus, which is thereby increased from $109,976 to $168,726, or nearly 30 per cent. of the capital stock outstanding. Current assets at $55,625 and current liabilities at $60,343, showed practically no change.

Difficulties Ahead.

While, as the report indicates, the year's results were very satisfactory, all things considered, the directors call attention to the fact that there are certain difficulties to be faced during the current period. Owing to extensive improvements proposed by the city for street pavements last year, it was found necessary to use a portion of the company's surplus for rebuilding several miles of track. Considerable of the street work planned was not completed and so remains to be included in the current year's programme. This, together with $35,000 required for bond redemption, and abnormal cost of supplies and labor without the ability to increase transportation charges, makes the conditions to be faced rather more difficult.

The following table gives features of the company's record since 1905:

	Gross Earnings	Operating Expenses	Net Earnings
1905	$194,026	$141,568	$ 52,458
1906	202,911	159,428	43,483
1907	232,377	168,025	64,352
1908	235,032	167,567	67,465
1909	243,259	169,830	73,529
1910	256,278	182,192	74,087
1911	279,607	192,737	86,870
1912	306,231	210,278	95,953
1913	331,967	234,917	97,050
1914	375,895	267,900	107,994
1915	398,858	275,212	123,646
1916	426,314	292,400	133,913

Seats on the New York Stock Exchange are now quoted at the lowest price in quite a while. For example, several were sold last week on the basis of $65,000 each. This compares with $70,000, the price paid a short time ago. The immediate occasion for the decline in the value of the seats is due to the recent heavy falling off in the volume of business.

THE ROYAL BANK OF CANADA
INCORPORATED 1869
Capital Authorized - - $ 25,000,000
Capital Paid Up - - 12,900,000
Reserve and Undivided Profits, 14,300,000
Total Assets - - - - 270,000,000
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EXECUTORS AND TRUSTEES
HEAD OFFICE, MONTREAL,
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Sir H. Montagu Allan, C.V.O., Vice-President.
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A. Baumgarten
A. D. Braithwaite
E. J. Chamberlin
H. R. Drummond
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Capt. Herbert Molson
Lord Shaughnessy, K.C.V.O.
Sir Frederick Williams-Taylor, LL.D.
A. E. HOLT, Manager.
TORONTO BRANCH, BANK OF MONTREAL BUILDING, YONGE & QUEEN STREETS.
BRUCE L. SMITH - - - - Manager.

THE STANDARD TRUSTS COMPANY
Head Office - - - - - - 346 Main Street, WINNIPEG.
J. T. GORDON, Esq., President
(President, Gordon, Ironsides & Fares Co., Ltd.)
W. E. LUGSDIN, Secretary-Treasurer.
WILLIAM HARVEY, B.L., Vice-President and Managing Director
Authorized Capital .... $ 1,000,000.00
Subscribed and Fully Paid 750,000.00
Reserve 455,000.00
Total Assets 15,250,000.00
Acts as Trustee, Executor, Administrator, Guardian, Agent, Etc.
Insure your Estate against mismanagement and loss by making your Will appointing this Company your Executor and Trustee. Will forms supplied free. All business of a trust nature transacted.

Be sure your Will is made, naming a Strong TRUST COMPANY as your
EXECUTOR
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CAPITAL ISSUED AND SUBSCRIBED $1,171,700.00
PAID-UP CAPITAL AND RESERVE 860,225.00
The Imperial Canadian Trust Co.
EXECUTOR, ADMINISTRATOR, ASSIGNEE, TRUSTEE, ETC.
HEAD OFFICE: WINNIPEG.
BRANCHES: SASKATOON, REGINA, EDMONTON, CALGARY, VANCOUVER AND VICTORIA.

Individual vs. Corporation Management

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All of these qualifications can be rarely found in a friend or individual.

THE STERLING TRUSTS CORPORATION possesses all of these essential qualifications of a competent trustee, including assured existence throughout generations of beneficiaries.

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Our officers will be glad to confer with you in regard to the making of your will or the management of your estate.

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THE HURON AND ERIE REPORTED SPLENDID YEAR

Profits Materially Larger, Despite Adverse and Unsettled Conditions.

ASSETS MUCH INCREASED

Old, Conservative Company Continues Its Great Record Despite War Difficulties Which Have Generally Affected Mortgages.

A continuation of the record of increasing earnings, with a well-maintained position as regards strength and solidity, are indications of the annual statement of the Huron and Erie Loan and Savings Company—a document which must have been received by the shareholders with gratification when the unsettled conditions which have prevailed during the past three years are taken into consideration. The profits at $440,310, compare with $428,197 in 1915, and represented 16.9 per cent. upon the paid up capital. There was thus a good margin over the 12 per cent. dividend paid. The showing on investment was 7.8 per cent.

After providing for dividends, taxes, pensions, patriotic funds, etc., and adding $55,950 to the reserve fund, there was a surplus carried forward of $85,519, compared with a balance in this account of $40,662 at the opening of the year. Following are comparative figures of profit and loss and a summary of the earnings record of the past five years:—

	1914.	1915.	1916.
Profits	$409,844	$428,197	$440,310
Balance forward	70,796	22,345	40,662
	$480,640	$450,542	$480,972
Distribution—			
Dividends	$278,567	$292,298	$298,474
Taxes	4,729	5,821	7,902
War tax	...	10,883	10,396
Pension fund	10,000	10,000	10,000
Patriotic fund	5,000	1,500	2,750
Branch extensions	10,000	10,000	10,000
Reserve	150,000	79,378	55,930
Balance forward	22,344	40,662	85,519
	$480,640	$450,542	$480,972

Year	Paid-up Capital	Profits	Div.	% Profits av. cap.	Earn. rate
1912	$2,100,000	$335,163	11	16.5	8.1
1913	2,100,000	368,587	12	17.5	8.6
1914	2,406,201	405,116	12	17.5	8.7
1915	2,458,415	411,493	12	16.9	7.9
1916	2,500,000	422,012	12	16.9	7.8

The remarkable success which attended the year's operations was referred to by the president, T. G. Meredith, K.C., who called attention to the fact that there had been an increase in the company's total assets of three-quarters of a million dollars, despite the payment of more than half a million dollars of debentures in Great Britain. The earnings were higher despite the fact, too, that rates had to be advanced and were only reported after ample allowance was made for possible losses. Attention was also called to the fact that for the first time in many years no losses were entailed on sales of mortgaged properties which came into the company's hands and the year closed with no real estate on hand with the exception of the company's own premises.

In regard to patriotic and other contributions resulting from the war, Mr. Meredith pointed out that while these were cheerfully paid, it should be remembered that mortgage companies were not making money out of the war, but were, on the contrary, suffering. Not only were there higher rates prevailing for funds and difficulties in placing investments, but there were legislative enactments, particularly in Western Canada, which had an adverse effect upon companies doing a mortgage business.

Hume Cronyn called attention to the very satisfactory manner in which interest payments had been met. Crops were light in some provinces, but such was the result of the high prices prevailing that at the end of the year the arrears of interest on the books were actually $10,000 less than at the end of 1915.

In addition to the increase of assets and the reduction of debenture accounts referred to, other features of the balance sheet were the investments in war loans and in the debentures of municipalities, school districts and rural telephone companies.

Following are comparative features of the capital account:—

Year	Capital Stock	Reserve	Assets	Interest
1916	$600,000	$650,000	$1,704,379	$115,065
1915	600,000	650,000	1,691,612	111,757
1914	600,000	650,000	1,638,019	109,746
1913	600,000	650,000	1,614,510	106,889
1911	600,000	560,000	1,544,815	109,560
1910	500,000	500,000	1,388,009	87,031
1909	500,000	500,000	1,317,615	81,411
1908	500,000	460,000	1,221,713	76,958
1907	500,000	440,000	1,168,626	80,145
1906	500,000	520,000	1,192,778	85,015
1905	500,000	400,000	1,188,915	75,260
1904	500,000	390,000	1,096,477	70,946

CANADA TRUST.

This Company Also Showed an Increase in Profits.

The affairs of the Canada Trust Company were reviewed before the shareholders at the same meeting as were presented the annual reports of the Huron and Erie Mortgage Corporation, the progress of this concern being indicated in a very satisfactory manner. T. G. Meredith pointed out that the progress of the company was absolutely and relatively in advance of the Huron and Erie. Despite payment of Scottish maturities, assets increased by a million and a quarter dollars, while the reserve had been increased to one-half the paid up capital. Under these very gratifying circumstances, the decision was reached to increase the dividend to 7 per cent., benefiting the Huron and Erie shareholders to the extent of $9,000. Following are some outstanidng comparative features of the Canada Trust accounts:—

	1915.	1916.
Assets	$6,271,868.61	$7,511,818.19
Investments made by the Public	3,045,144.45	3,318,224.30
Surplus Security (Paid-up Capital, Reserve and Undivided Profits.)	1,442,395.15	1,504,093.43
Net Profits	117,002.77	121,692.28

WATERLOO LOAN & SAVINGS.

Incerase in Earnings of Over 30 Per Cent.

An increase of over thirty per cent. in earnings was the outstanding feature of the annual statement of the Waterloo County Loan and Savings Company for 1916; the figures were $66,376, compared with $49,997. Higher interest charges and operating expenses, as the result of the larger volume of business transacted, brought the profits down to $31,762, which compared with $25,323 for 1915. Dividends took $21,645 and, after adding $12,000 to reserve and setting aside $3,000 as a contingent fund, there was a balance carried forward of $1,878, as against $2,458 brought forward at the opening of the year. Following are comparative figures:—

Profit and Loss.

	1915.	1916.
Earnings	$49,997	$66,376
Interest:		
On deposits	$10,659	$15,077
On debentures	3,136	6,259
Commission on loans	1,085	1,460
Expenses	9,794	11,818
	$24,674	$34,614
Net earnings	$25,323	$31,762
Prem. on stock	2,060	4,305
Bal. forward	2,250	2,456
	$29,633	$38,523
Dividends	19,177	21,645
Reserve	8,000	12,000
Contingent	...	3,000
Balance	2,456	1,878
	$29,633	$38,523

President Thomas Hilliard, in his report, states that the business of the company shows a steady growth in all departments, while the indications for 1917 are promising. Following are features of the company's earnings record for the past four years:—

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits av. cap.	Earn. rate
1913	$167,436	$ 7,955	6	9.3	...
1914	300,458	17,504	6	7.1	6.2
1915	332,876	25,323	6	7.8	7.0
1916	383,779	31,762	6	8.3	8.3

Public confidence in the institution is indicated in the enlargement of deposits and debenture accounts, the total liability to the public having increased from $383,161 to $616,837. About $51,000 was paid on capital. The reserve fund now stands at $60,000, compared with the paid up capital, $383,779, which provides a substantial margin of security when the youth of the company is taken into consideration. Investments have to a large extent been made in municipal and other debentures, this account having increased from $223,408 to $415,796, while mortgages increased from $457,959 to $545,282.

Reports presented at the annual meeting of the Renfrew Hotel Company, a concern which was formed after the adoption of local option to solve the temperance hotel problem, showed profits for the year just ended of $4,246. This admits of a payment of a 5 per cent. dividend Plans for an addition of 20 to 40 rooms are being considered.

B.C. PERMANENT IS AFFECTED BY SLOW PAYMENT

Annual Statement Shows $97,282 Earned but Not as Yet Paid.

EXPENSES MUCH REDUCED

Despite Decline in Earnings and Special Taxes Which Had to be Paid, There Was Improvement in Net Profits.

The effect of the unsatisfactory conditions prevailing in the mortgage business in British Columbia upon companies transacting this kind of business finds reflection in the annual report of the British Columbia Permanent Loan Company, of Vancouver. The earnings of $217,726, compared with $232,947 in 1915, and with $267,407 in 1914. However, such was the effect of economies effected in management that there was an increase of more than $4,000 shown in the net profits. Expenses were put at $26,936, compared with $44,872 in 1915, and $63,600 in 1916—there was an additional $10,698 in 1916 for special taxes. The profits were, therefore, $57,536, compared with $53,200 a year ago, but were far below the showing of $84,055 in 1914. For contingent fund, $10,000 was provided and other deductions were made for furniture and for tax reserve. The surplus carried forward was $93,494, of which $49,031 was the balance at the opening of the year. Following are comparative figures:—

Profit and Loss.

	1914.	1915.	1916.
Earnings	$267,407	$232,947	$217,726
Interest	$119,752	$134,875	$122,556
Expenses	63,600	44,872	26,936
Taxes	...	...	10,698
	$183,352	$179,747	$160,190
Profits	$ 84,055	$ 53,200	$ 57,536
Balance forward	14,089	24,600	49,031
	$ 98,144	$ 77,800	$106,567
Distribution:			
Dividends	$ 72,743	$ 23,050	$ ...
Contingent	...	5,000	10,000
Furniture	799	719	573
Reser. for Taxes	...	...	2,500
Balance	24,601	49,031	93,494
	$ 98,144	$ 77,800	$106,567

It will be noted that there were no dividends paid. In this connection, the president, D. H. Wilson, points out that it had been deemed wise by the company not to pay a dividend until there was an improvement in conditions. That these conditions have not been satisfactory may be concluded from the fact that the earnings did not include $97,282 of interest which was not yet collected. This appears in the contingent fund, which totals $110,813. This amount, together with reserve fund and undivided profits, makes a total reesrve of $863,160, compared with the net paid up capital of $923,290.

Following are features of the earnings record of the company since 1912. The change in the profits may be judged from the fact that the showing on investment has declined from 13.5 per cent. in 1912, to 3.6 per cent.

Earning Record.

Year	Paid-up Capital	Profits	Div.	% Profits av. cap.	*Earn. rate
1912	$748,519	$146,848	10	19.6	13.5
1913	867,534	132,644	10	15.1	9.7
1914	909,252	84,055	8	9.2	5.4
1915	921,986	53,200	5	5.7	3.3
1916	921,986	57,536	..	6.2	3.6

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*Per cent. capital reserve and balance at credit of profit and loss.

Altogether the report indicates that while conditions are far from satisfactory, a conservative policy is being followed and the position of the company being maintained as well as could be expected.

C. M. Simpson, president of the Empire Loan Co., Winnipeg, has been confined to his home with pneumonia for the past two weeks, but is recovering.

BONDHOLDERS OF THE DOMINION MARBLE TO MEET

Committee to be Given Powers to Dispose of Properties.

WILL REALIZE ABOUT 60%

Holders of Bonds and Creditors Should Receive About That Amount—Americans After Quarries.

A meeting of the bondholders of the Dominion Marble Company, of Montreal, which has been in liquidation for the past two years, has been called for the 16th of March, for the purpose of obtaining the approval and concurrence of the bondholders in the sale either by private sale or by public auction, of the whole or any part of the property secured by the trust deed between the Dominion Marble Company and the Prudential Trust Company, and to confer upon a committee representing the bondholders full powers necessary to effectually realize upon the security held by the said trustee in virtue of said trust deed.

THE FINANCIAL POST understands that the liquidator, Gordon Scott, of the firm of P. S. Ross & Sons, has already disposed of considerable of the property by private sale, and with fairly good results. Mr. Scott recently received a very good offer for the company's quarries, from New York interests, and the deal was on the point of consummation when the severance of diplomatic relations between the United States and Germany took place. The matter was then hung up, and since that time the offer has been temporarily withdrawn. It is expected, however, that the deal will eventually go through.

It looks now as though the bondholders will receive about 60 per cent. of their claims, and the ordinary creditors about the same, but there will be nothing left for the holders of the $450,000 of common stock. There is some difference of opinion between the bondholders and the ordinary creditors as to whether the trust deed covers certain movable assets of the company, and a suit will be taken to the courts to determine the issue.

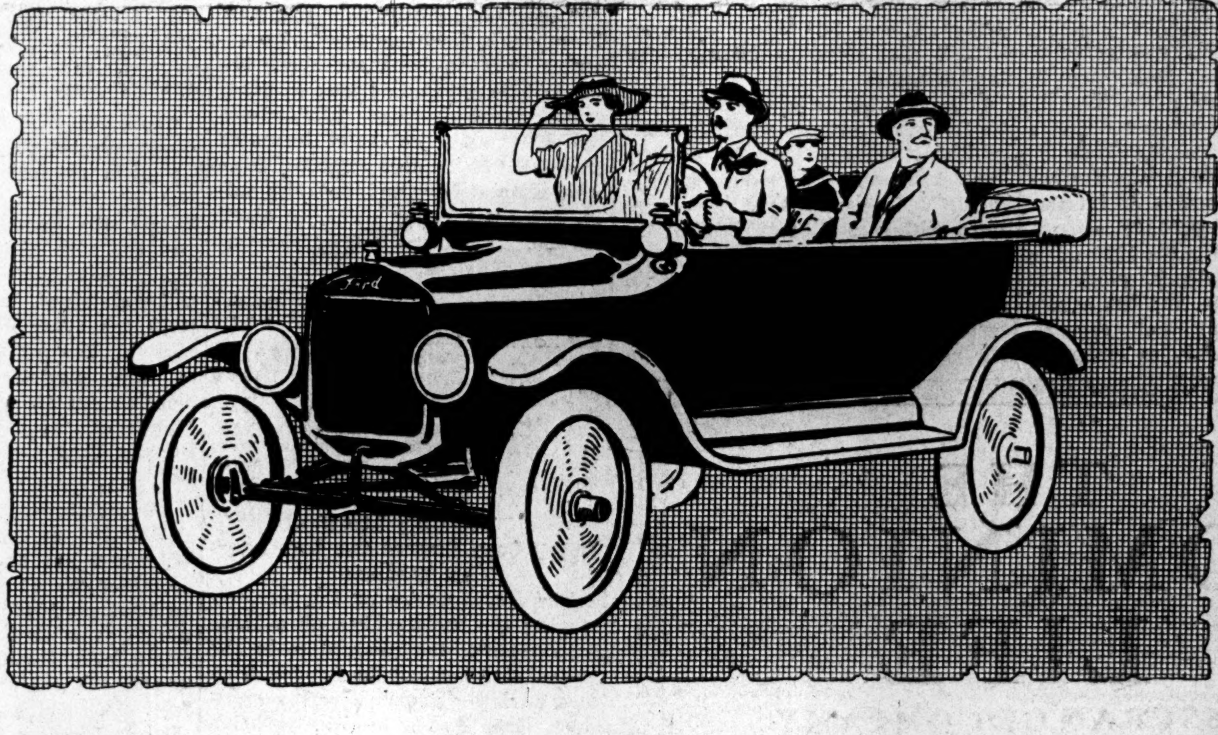
The company's quarries are located at South Futley, Quebec, and are considered very valuable. The principal trouble of the company was lack of working capital.

CANADA'S AUTOMOBILES.

Statistics Indicate Great Prosperity Prevailing in The Country.

Canada's prosperity could hardly be better illustrated than in the automobile statistics, showing, as they do, a remarkable increase in the number of cars owned throughout the country in 1916 as compared with 1915. The number of pleasure cars increased from 81,562 to 110,024, and the number of commercial cars from 1,585 to 6,341. At the same time, the number of automobile dealers grew from 1,116 to 3,480, the increase in Ontario alone being from 850 to 2,260. Following are some comparative figures:

	Pleasure Cars		Commercial	
Provinces:	1916	1915	1916	1915
Ont.	52,077	36,661	2,804	Inc.
Que.	12,655	9,584	900	528
Nova Scotia.	2,907	1,660	24	17
New Bruns..	2,977	1,973	Inc.	Inc.
P.E.I.	68	46	Inc.	Inc.
Sask'wan	12,012	9,106	Inc.	Inc.
Alberta	11,939	10,225	Inc.	Inc.
Manitoba	9,239	5,635	277	200
Yukon	...	43	...	5
Br. Col.	6,140	6,629	2,336	835
Total	110,024	81,562	6,341	1,585



The Ford Is Economical

THE average man can easily afford a Ford car. It is the most inexpensive car to drive.

20 to 25 miles on a gallon of gasoline is an every-day occurrence. 33 miles is frequently reported by Ford owners. Yearly repair expenses of less than one dollar are not unusual. The car is light in weight, and tires give more mileage on a Ford than on any other car.

You can buy a Ford for yourself and one for your wife for the price of one car at $1000. You can run both Fords at about the same expense as for one larger, heavier car.

You can always sell a "used" Ford at a good price. You have to accept a big reduction for a "used" larger car.

Go and take a ride in the 1917 model. See how comfortable it is. And stylish, too—stream line effect, tapered hood, crown fenders, beautiful finish. You need one for business. Your wife and children need one for pleasure and health.

Ford Motor Company of Canada, Limited, Ford, Ontario

Over 700 Ford Service Stations in Canada.

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ONTARIO LOAN REST LARGER THAN CAPITAL

The Reserve Fund Has Now Been Increased to $1,850,000.

EARNINGS HELD UP WELL

Profits Slightly Lower Than 1915, But Compared Very Favorably With Previous Years—Operations Affected by War

Although the net earnings of the Ontario Loan & Debenture Company for the year 1916 were slightly lower than those in 1915, the showing cannot be regarded as other than satisfactory, especially when considered in relation to the returns for 1914 and 1913. The total of $268,603 stands against $270,583 in 1915, and $257,788 and $252,732 for 1914 and 1913 respectively. When the extraordinary conditions which have prevailed are taken into consideration the company has evidently been able to offset the unfavorable influences very successfully. High rates of interest prevailing on debentures, together with rather unsatisfactory conditions in the loaning field, have resulted in reduced earnings, while another factor which has worked to the same end has been the policy of keeping comparatively large cash reserves on hand. The payment of dividends amounting to $157,500, the addition of $100,000 to the reserve fund, and the provision of $7,522 for patriotic purposes, left a surplus of about $3,000, the total amount carried forward being $53,583, as compared with $50,012 at the end of 1915. Following are comparative figures:

	1914	1915	1916
Profits	$257,788	$270,583	$268,603
Bal. forward . ..	45,859	43,147	50,012
	$303,647	$313,730	$318,615
Distribution—			
Dividends	$157,500	$157,500	$157,500
Reserve	100,000	100,000	100,000
Patriotic fund . .	3,000	1,000	7,522
Dom. War Tax ..	...	5,218	...
Balance	43,147	50,012	53,593
	$303,647	$313,730	$318,615

The revenue account showed that interest earned on mortgages, rents, etc., declined from $516,127 to $506,923—$9,204—and this was reflected by the changes which took place in liabilities to the public, the total of debentures outstanding and deposits having declined from $4,457,590 to $2,983,186. The effect was further seen also in the amount of interest paid, which totalled $176,168, as compared with $183,596 in the 1915 statement. The cash balance, which has been unusually large, and has been a factor in reducing net revenue, amounted to $405,309, as compared with $439,900 a year ago. The amount outstanding on mortgages declined from $6,852,920 to $6,319,566, while Government and municipal bonds increased from $549,231 to $772,928; real estate foreclosed or brought to sale was $82,840, compared with only $16,156 a year ago, while loans secured by stocks and debentures have declined from $98,802 to $26,067.

Reserve More Than Capital.

The addition of $100,000 to the company's reserve fund raises the total of that account to $1,850,000. This compares with a paid-up capital of $1,750,000, and places this company in a very strong position as regards its rest account. Altogether, the report indicates that this very strong and conservative loaning organization is well maintaining the record for solidity which it has established.

As will be seen from the following record the profits on capital at 15.3 per cent. were slightly lower than a year ago, as were the returns on investment 7.6 per cent. However, 15.3 per cent. showed a very satisfactory margin over the dividends paid of 9 per cent.

Year	Paid-up Capital	Profits	Div.	% Profits Cap.	Earn. rate*
1912	$1,750,000	$238,543	8	13.6	7.6
1913	1,750,000	253,736	8½	14.5	7.8
1914	1,750,000	257,791	9	14.7	7.7
1915	1,750,000	270,583	9	15.4	7.8
1916	1,750,000	268,603	9	15.3	7.6

*Per cent. of capital, reserve and balance at credit of profit and loss.

HIGH INTEREST RATES.

Manager of Dominion Savings Explains Their Influence on Debenture Loans.

In connection with the reduction in the amount of sterling debentures outstanding at the end of 1916, as compared with the amount shown in the report of 1915, Nathaniel Mills, the managing director of the Dominion Savings and Loan Society, states that of the $116,000 of debentures which fell due during the year, the company was able to renew about $46,000, the balance of $70,000 having to be paid. He comments that there is no doubt that the society would have been able to renew a still greater part of these debentures had the directors been willing to pay 5½ per cent. to the English debenture holders; it was felt that 5 per cent. was all that could be afforded for English money.

In connection with the review of the Dominion Savings report in THE POST last week, the amount of sterling debentures at December 31, 1916, of $197,097, should have been compared with a total of $267,247 at the end of 1915; the $306,985 reported for 1915 was taken in error from the previous report. Thus the decline referred to as having taken place in one year was really spread over two.

THE DOMINION LIFE ASSURANCE COMPANY

The 28th Annual Report shows splendid gains for the year 1916 in every department of the business.

Reserves - - - $3,199,261.00
Assurance issued - $4,032,887.00
Business in force - $19,308,676.00

YEAR	ASSETS	PAYMENTS TO POLICYHOLDERS	GROSS SURPLUS
1901	$615,690.00	$33,323.00	$131,146.00
1906	1,238,938.00	47,545.00	206,477.00
1911	2,530,402.00	100,746.00	415,227.00
1916	4,307,834.00	307,205.00	1,037,999.00

A memorandum book, giving full details of the Company's figures for 1916, will be sent on request.

HEAD OFFICE - WATERLOO, ONT.

UNFAVORABLE CONDITIONS AFFECT EMPIRE LOAN

Winnipeg Mortgage Company Reports Smaller Earnings—Dividend Reduced to 6 Per Cent.

The Empire Loan is one of the Western mortgage companies, which, owing to the abnormal conditions prevailing and their effect upon earnings found it advisable to reduce its dividend from 8 per cent. to 6 per cent. during 1916. The annual statement indicates that the course taken was a wise one. As the result of a policy which put the strengthening of the company's position ahead of earning power, the net showing for the year, after paying all expenses, amounted to $41,163, compared with $57,459 in 1915, and $66,183 in 1914. Dividends took $34,528 and, after a small sum had been apportioned to shareholders, there was $15,000 placed in a contingent fund, leaving a balance of $1,083. The balance brought forward was $12,050, but this was reduced to $9,620 by the business profits tax. Following are comparative figures of the earnings account:—

	1914.	1915.	1916.
Balance forward .	$ 318	$ 1,188	‡$ 9,620
*Net profits for yr	66,183	57,459	41,163
	$66,501	$58,647	$50,783
Distribution—			
Dividends	$45,012	$46,378	$34,528
Appor. to share...	301	219	172
Reserve	20,000		15,000
Balance	1,188	12,050	1,083
	$66,501	$58,647	$50,783

*After paying all expenses.
‡Less business profit tax.

As compared with the 6 per cent. dividend paid, the earnings were 7.0 per cent. on capital and 6.3 per cent. on investment. Following are features of the record of the past five years:—

Year	Paid-up Capital	Profits	Div.	% Profits av. cap.	*Earn. rate
1912	$356,172	$ 35,176	8	11.0	10.8
1913	543,310	44,296	8	10.7	10.0
1914	567,015	66,182	8	11.8	10.8
1915	579,732	57,459	8	9.9	9.0
1916	596,437	41,163	6	7.0	6.3

*Per cent. of capital, reserve and balance at credit of profit and loss.

The balance sheet shows some of the effects of the conditions which have prevailed. Liabilities to the public were reduced from $343,526 to $312,679, largely as the result of the decrease in debenture accounts. There was a $500 increase in the advances from the bank and about $4,000 in bills payable. Loans on mortgages declined from $974,593 to $937,620; cash on hand increased from $15,000 to over $20,000; some other changes in assets were also noted, the total being lower by about $12,000. Following are outstanding features of the capital account:—

	Assets	Capital Paid Up	Reserve
1905	$ 127,860	$ 30,572	$ 1,115
1907	195,034	73,231	3,782
1909	259,005	142,076	12,000
1910	396,084	225,603	16,000
1911	581,130	282,444	22,000
1912	773,472	356,172	30,000
1913	1,050,132	543,310	50,000
1914	1,072,399	567,015	70,000
1915	1,019,966	575,956	70,000
1916	1,007,516	596,437	70,000

LONDON LOAN.

Heavy Cash Reserve Cut Into Interest Earnings.

The contingencies of the war, requiring the maintenance of a large cash reserve, are referred to in the annual statement of the London Loan and Savings Company, by the president, Geo. G. McCormick, as being largely responsible for a material reduction in earnings indicated. The profits of $81,326, compared with $118,417 in the 1915 statement, and with $102,998 in 1914. Dividends and a subscription to the Patriotic Fund were all the deductions made, and there was carried forward a surplus of $29,894, of which only $1,690 was brought over from the previous year. Following are comparative figures:—

	1914.	1915.	1916.
Balance forward .	$ 3,625	$ 2,393	$ 1,690
Profits	102,998	118,417	81,326
	$106,623	$120,810	$ 83,016
Distribution:			
Dividend	$ 51,230	$ 52,520	$ 53,022
Bonus	10,000	12,500	...
do., app'n ..	1,700	13,500	...
Pat. fund	1,300	600	100
Reserve	40,000	40,000	...
Balance forward .	2,393	1,690	29,894
	$106,623	$120,810	$ 83,016

The earnings were at the rate of 9.4 per cent. on capital, against 13.5 per cent. in 1915, while the dividend of 6 per cent. paid, compared with a total declaration, including bonus, of 7¼ per cent. for the previous year. Following are features of the earnings record:—

Year	Paid-up Capital	Profits	Div.	% Profits av. cap.	*Earn. rate
1912	$740,866	$ 74,052	6	10.1	8.0
1913	839,227	97,552	6	12.4	9.6
1914	857,224	101,699	7	11.8	9.1
1915	882,889	118,417	7¼	13.5	10.0
1916	884,283	83,016	6	9.4	6.9

*Earnings per cent. on the aggregate of balance at credit of profit and loss and reserve at commencement of the year and the average capital employed during the year.

The necessity for carrying large cash reserves, referred to by the president, is reflected in the balance sheet, where the total balance on hand and in the bank amounts to about $345,700, as compared with $194,893 a year ago. The surplus forward of nearly $30,000 makes a good working margin for contingencies, while the rest fund, although not increased, amounting to $340,000, is substantial in proportion to the paid up capital of $884,283.

PEOPLE'S LOAN LINKS WITH PREMIER TRUST

New Relations of These Companies Indicated in Annual Statement of the Former.

In the face of conditions which have been generally unsatisfactory, the People's Loan and Savings Corporation of London, for 1916, reports a further increase in earnings which, further increase in earnings which, while not large, will no doubt be well received by the shareholders. The gross earnings of $58,277 compared with $56,156 in the last report, and the net of $32,883 with $30,742. Dividends took $28,094, and the addition of $3,000 to the reserve left a balance of $1,789; the balance brought forward was $1,192. Following are comparative figures:—

	1914	1915	1916
Gross Earnings	$53,244	$56,156	$58,277
Net Profits	29,876	30,742	32,883
Distribution—			
Dividends	$26,774	$27,549	$28,094
Reserve	2,000	2,000	3,000
Carried forward .	1,102	1,192	1,789
	$29,876	$30,742	$32,883

On the company's paid-up capital, which has been increased from $463,621 to $474,394 of the $500,000 subscribed, the profits represented 7 per cent. as compared with a 6 per cent. dividend paid. On investments the earnings were at the rate of 6.6 per cent. The following are features of the company's record for the past five years:—

Year	Paid-up Capital	Profits	Div.	% av. Cap.	Profits to av. Earn.
1912	$418,300	$27,776	6	6.8	6.3
1913	438,238	27,240	6	6.3	5.8
1914	451,873	29,877	6	6.7	6.1
1915	463,621	30,742	6	6.7	6.1
1916	474,394	32,883	6	7.0	6.6

The addition of $3,000 to the company's reserve fund brought the total up to $48,000, which is 10.1 per cent. of the paid-up capital. W. S. Roome, the president, pointed out that the high ratio of securities to depositors and debenture holders was still maintained, being at the rate of $2.73 for every dollar of borrowed capital. The president also referred to the company's developments, pointing out the opening of a joint branch of the corporation and the Premier Trust Company, at Windsor, Ont.

The liabilities to the public stand at $316,135, as compared with $285,846 a year ago, savings deposits have decreased by about $6,600, but debentures are higher by about $37,000. Assets show that mortgages on real estate have decreased from $715,940 to $692,409, the change indicated being one which has been general through loan company reports. Several new items of assets are shown which are evidently the result of the new relations and the Premier Trust Company in regard to the establishment of the Windsor office. The Premier Trust Company stands at $55,000; real estate, $4,220, and real estate under agreement at $16,006, while office furniture has increased from $1,700 to $2,600.

MORTGAGE CORPORATION OF NOVA SCOTIA.

Statement Shows Little Effect of War Conditions.

There is comparatively little evidence of the effect of war conditions upon the affairs of the Mortgage Corporation of Nova Scotia, as indicated by the annual statement. The conservative policy of maritime financial institutions has evidently been an influence for good. The earnings at $57,211, compared with $55,150 in the previous report, and this increase was practically all saved in the net profits, which stood at $32,311, against $30,356. Payment of dividends, directors' fees, reduction of real estate values and the addition of $9,000 to the reserve fund, left a balance of $456, of which $228 was brought forward. Following are comparative figures:—

Record of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits av. cap.	Earn. rate
1912	$282,382	$ 21,050	6	9.5	7.7
1913	305,503	24,862	6	9.9	8.0
1914	331,130	27,753	6	9.8	8.0
1915	350,254	30,324	6	9.7	8.9
1916	384,110	32,311	6	9.8	8.6

Earnings on capital were 9.8 per cent., as compared with the 6 per cent. dividend paid, while the showing on investment was 8.6 per cent. Following are features of the earnings record:—

	1914.	1915.	1916.
Earnings	$ 52,310	$ 55,150	$ 57,211
Interest:			
Debentures, etc. .	$ 13,469	$ 13,288	$ 13,214
Deposits	1,060	1,523	1,871
Cap. calls	1,958	1,594	1,034
Expenses	8,070	8,421	8,781
Total charges ...	$ 24,557	$ 24,826	$ 24,900
Net profits	$ 27,753	$ 30,324	$ 32,311
Balance forward .	154	32	228
	$ 27,907	$ 30,356	$ 32,539
Distribution:			
Dividends	$ 16,872	$ 18,627	$ 20,383
Directors	500	500	700
Reserve	7,000	9,000	9,000
Contingent	400	...	...
Written off R. E..	3,014	2,000	2,000
Furniture	88	...	...
Balance	32	229	456
	$ 27,907	$ 30,356	$ 32,539

The balance sheet indicates that mortgages held at $761,689, show an increase for the year of $31,570, and real estate held amounted to $6,901. It is pointed out that practically all the mortgages are repayable in instalments and that the securities of the company are thus constantly improving; the instalments have been well met.

SCOVILL EARNS $13,403,462.

Profits Equal $268 a Share on the Outstanding Stock.

The annual report of the Scovill Manufacturing Company, one of the American concerns that was mentioned several times in the course of the Canadian fuse inqury, shows that net profits of $13,403,462, or equal to $268 a share on the outstanding stock, were made the past year. Dividends amounting to $111 a share were paid in 1916. The company had large orders for time fuses from the Allies, and in addition expanded largely its ordinary activities in brass goods. Besides accumulating this extraordnary profit, the company spent out of earnings $3,654,386 for plant additions and charged off approximately $2,000,000 for depreciation. A special reserve of $2,200,000 was set up for Federal, State and city taxes, and the general reserve for contingencies and improvements was increased by more than $1,500,000. The surplus account from $3,063,845 in 1914 has been expanded to nearly $16,000,000.

The London and Canadian Loan and Agency Company, Limited

FORTY-THIRD ANNURL MEETING

The Forty-third Annual General Meeting was held in the Company's Head Offices, 51 Yonge Street, Toronto, on Wednesday, February 14th, 1917, at twelve o'clock noon.

In the absence of the President, Mr. Thomas Long, the Vice-President, Mr. Casimir S. Gzowski, occupied the chair. The Secretary, Mr. William Wedd, Jr., acted as Secretary of the meeting, and Messrs. D'Arcy D. Grierson and W. Ridout Wadsworth were appointed Scrutineers.

The Annual Report was unanimously adopted and also the statements for the year ending 31st December, 1916, as presented by the Manager, Mr. V. B. Wadsworth. The Report was as follows:

The Directors have pleasure in submitting to the Shareholders the 43rd Annual Report of the Company and the Statement of Accounts for the year ending 31st December, 1916, the result being as follows:

The gross revenue, including the balance ($23,734.52) brought forward from last year, amounted to	$382,814.73
And, after deducting the cost of management, interest on Debentures, Dominion, Provincial and Municipal Taxes (including War Tax) and other charges, amounting in all to	199,796.60
There remains a net profit of	$183,018.13
Out of which four quarterly dividends have been paid at the rate of 8 per cent. per annum, amounting to	100,000.00
Leaving a balance of	$ 83,018.13

Of which $75,000 has been transferred to the Company's "Rest Account," and $8,018.13 is carried forward at the credit of "Revenue Account" to next year.

The Rest Account now amounts to $800,000, being 64 per cent. of the subscribed and fully paid-up Capital Stock of the Company.

During the year applications for loans on mortgages were accepted and renewed to the amount of $689,226 on real estate valued at $1,916,840.

The total assets of the Company are now $4,968,953.

Owing to the continuation of the devastating European War, and the unsettled business conditions caused thereby, the profits of the Company for the operations of the past year have been somewhat reduced.

Crop returns proved disappointing in the Provinces of Ontario, Manitoba and Saskatchewan, and somewhat lower interest rates on mortgage investments prevailed. Farmers, however, profited largely by obtaining very high prices for all farm products, and mortgagors were thus generally enabled to meet their payments in a satisfactory manner.

A change in the Directorate of the Company occurred during the year through the retirement from the Board of Mr. D. B. Hanna, whose other large business engagements required his undivided attention. Mr. W. C. Noxon, of Toronto, was elected to fill the vacant position.

The Scottish Board and Agents rendered valuable services in obtaining new money, and renewing maturing debentures, notwithstanding the prevailing very adverse monetary conditions.

The various Officers of the Company performed their duties faithfully and to the satisfaction of the Directors, and the books, accounts, vouchers and securities have been duly examined by the Auditors, and their certificate of audit is hereto appended.

THOMAS LONG,
President.

Toronto, January 17th, 1917.

ASSETS AND LIABILITIES, 31st DECEMBER, 1916.

ASSETS.

Loans on Mortgages and Interest		$4,463,643.97
Municipal and other Negotiable Debentures Owned, including Dominion of Canada War Loan Bonds	$311,927.18	
Loans on Call or Short Date on Bonds, Stocks and Other Securities	80,659.71	
		392,586.89
Cash in hand—		
With Company's Bankers in Canada	109,233.11	
With Company's Bankers in Britain	3,489.73	
		112,722.84
(In addition to the above, the Company hold, as Agents, for the benefit of certain clients, mortgages to the amount of $68,878.11).		
		$4,968,953.70

LIABILITIES.

Capital Stock, Fully Paid Up	$1,250,000.00
Rest Account	800,000.00
Debenture Stock	414,445.33
Debentures and Certificates, etc., payable at fixed dates........	2,409,397.00
Reserved for interest accrued on Debenture Stock, Debentures and Certificates to date	55,875.00
Sundry Creditors	6,218.15
Dividend No. 103, payable 2nd January, 1917	25,000.00
Balance at Credit of Revenue Account carried to next year	8,018.13
	$4,968,953.70

REVENUE ACCOUNT FOR THE YEAR ENDING 31st DECEMBER, 1916.

Dr.

Cost of Management, including Head Office expenses, Inspection Charges and Directors' and Auditors' Fees		$ 20,490.82
Commission on Debentures Issued and Loans Effected during the year, and Agency Charges in Edinburgh, Winnipeg and the North-West		25,433.07
Debenture and Certificate Interest paid and accrued to 31st December, 1916		133,123.46
Instalments paid on subscriptions to Patriotic, Red Cross and Hospital Funds		2,950.00
Dominion, Provincial and Municipal Taxes (including War Tax)..		17,799.24
Dividend No. 100, paid 1st April, 1916 (2%)	$ 25,000.00	
Dividend No. 101, paid 3rd July, 1916 (2%)	25,000.00	
Dividend No. 102, paid 2nd October, 1916 (2%)	25,000.00	
Dividend No. 103, payable 2nd January, 1917 (2%)	25,000.00	
		100,000.00
Amount transferred to Rest Account		75,000.00
Balance at Credit of Revenue Account carried to next year........		8,018.13
		$382,814.73

Cr.

Balance at Credit of Revenue Account, 31st. December, 1915	$ 23,734.52
Net Interest, etc., received and accrued to 31st December, 1916	359,080.21
	$382,814.73

1916.	
December 31st—By Balance carried to next year	$ 8,018.13

V. B. WADSWORTH, Manager.

Audited and found correct.

J. GEORGE, F.C.A. (Can.), } Auditors.
RUTHERFORD WILLIAMSON, C.A. }

The Shareholders adopted a resolution confirming the Patriotic and Benevolent Grants for 1916, and approving of a Grant of $2,000 to the Patriotic Fund for 1917.

The following gentlemen were elected Directors for the ensuing year:—Thomas Long, C. S. Gzowski, A. H. Campbell, C. C. Dalton, Goldwin Larratt Smith, Colin M. Black, W.S., and W. C. Noxon.

At a subsequent meeting of the newly-elected Board, Mr. Thomas Long was elected President, and Mr. C. S. Gzowski, Vice-President.

EXPORT ASS'N LOOKS TO FIELD IN SOUTH AFRICA

Effort Will be Made to Extend Foreign Trade in That Country.

EARLY ACTION TO BE TAKEN

Trade Organization of Manufacturers Planning to Send R. J. Younge to Africa to Personally Look Over the Ground There.

The members of the Export Association of Canada see great trade possibilities in the development of the South African field, and it has been decided to send the manager, R. J. Younge, to that country to investigate the situation. Mr. Younge will leave just as soon as he can gather together the necessary information from the members of the Association, and expects to be absent about four months.

South Africa has never been a manufacturing country, but she is a good customer for those countries which are advanced in this respect, and the members of the Export Association see no reason why Canada should not get a fair proportion of the business that is going. Of course, Canada has for many years supplied the greater proportion of the flour used by South Africa, but has not sent a great quantity of other manufactured goods there.

Imports $200,000,000.

South Africa imports approximately two hundred million dollars' worth of manufactured goods from other countries. Germany had a large share of this trade before the war.

One of the principal lines which South Africa imported from Germany was mining machinery, of which she uses large quantities, mining being one of the principal industries of the country. Germany has also supplied a great many other lines of manufactured goods, which can be furnished by the manufacturers of Canada, and it will be Mr. Younge's business to direct the attention of our fellow-British subjects in that great country to the merit of Canadian goods.

Canada's Opportunity.

"I see no reason why Canada should not work up a very nice export trade with South Africa," said Mr. Younge, to THE FINANCIAL POST. "Our manufacturers can produce the goods, and are going to make a determined effort to get the business. They realize that after the war things will be different, and are taking time by the forelock. They do not believe in waiting until after the war is over before going after this business, as they realize that will be too late. Now is the time to get the South African merchant and business man familiar with Canadian goods and Canadian values. There will naturally be a friendly and brotherly feeling engendered by our common struggles in the great fight which has involved the Empire for the past two years and a half, and that should make it easy to get a foothold and a hearing. We can do the rest. The experience that has been gained during the past two or three years has given the manufacturers of Canada greater confidence in their capabilities and resourcefulness, and has demonstrated that they can rise to the occasion when necessary. After the munitions orders are over, and things get on a peace basis once more, the manufacturers, or at least a good many of them, will find themselves with a large amount of surplus plant, and they naturally are seeking an opportunity to keep it busy. They are also keeping in mind the great need there will be for employment for the returned soldiers, and are inspired with a vision of a greater and more prosperous Canada."

Return Cargoes.

In connection with the development of trade with South Africa, Mr. Younge will look into the possibilities of imports as well. It is expected that a very considerable quantity of wool and hides can be imported with advantage by Canada. The more goods that we can take, the more we can sell. The question of return cargoes is, of course, a very vital factor in developing an export trade.

Mr. Younge will go into the matter very thoroughly, and the members of the Association are very hopeful as to the results.

FILL THE CAR.

One Method by Which Freight Congestion May be Relieved.

A great deal of progress has been made recently in bringing about cooperation between railways and their patrons, and one way in which this has been manifested is the general endeavor to reduce, if not entirely eliminate, the waste of freight cars. The benefits which accrue to the shipping public as well as to the car owners by refraining from using equipment unduly for storage purposes is generally understood and appreciated, but the increased efficiency which can be derived by loading every car to its maximum cubic or carrying capacity seems to be frequently overlooked. The full loading of cars has a direct bearing on car supply, and particularly at this time, when a serious car shortage exists in certain parts of the country, it is desirable that in no case should two cars be used where one would suffice.

Some of the larger shippers have issued bulletins to their customers pointing out the methods by which better loading may be obtained, and were these suggestions adopted generally the benefits which would accrue to all concerned would be great and immediate.

The average railway car has a carrying capacity of about forty tons, but the average load per car is only twenty-three tons. Many shippers and consignees are in the habit of ordering only sufficient freight to equal the minimum prescribed by tariff when they could as well order a full carload or, if convenient to do so, could arrange to have their consignments consolidated with others of a similar nature travelling to the same destination, thereby saving at least or, perhaps, more cars. Consignees would find by adopting methods such as this their freight would be shipped more promptly, as the shippers would have more equipment at their disposal and the annoying delays attributed to "waiting cars" would be largely a thing of the past.

FINANCIAL EDITOR IS IMPRESSED BY OUR RESILIENCY

Finds That Canada is Shouldering War Burdens Well·

PAYS TRIBUTE TO OUR SPIRIT

The Recovery of the West in Face of War Conditions Draws Words of Praise from Visiting American Editor.

A tribute to the underlying financial strength of Canada and our resiliency as demonstrated by the ability shown in shouldering the burdens of war, was paid by the Chicago editor of the *Wall Street Journal*, in the course of an address before the Calgary Board of Trade. He spoke on that point, as follows:—

An American traveling through Canada is impressed with the way that the war burden has been carried financially and commercially, as well as in a military sense. Canada can double that burden without staggering. The Canadian women can do much of the work heretofore done by men as effectively as English or French women can.

In the Canadian West, the war burden was superimposed upon an overripe realty boom, yet you have done more than your share in the war as compared with the East. Alberta has contributed more soldiers, relatively, than any other province, I am told.

Western Canada's wealth has increased greatly the past two years, and it has changed hands—for the better of your communities. The town lot paper fortune has dwindled or vanished, but farm land is intrinsically worth more than ever before. The farmers are rich and spend their money judiciously. The character of Western prosperity is more stable than that of Eastern prosperity, which is based largely upon munitions contracts.

Your Governmental affairs, municipal and provincial, are administered more scientifically than before the war, which means more economically and more efficiently. There are few financial soft spots in the three prairie provinces, and the outside world will not hear about them because the bankers and provincial authorities will take care of all emergencies.

The realty boom was just such an obsession as possesses all communities, old or young, in some form or another at intervals, only you had an even better foundation for your speculative excess than you realized. You overplayed the realty end of your resources and opportunities and neglected the industrial end. The prairie provinces have inexhaustible resources in mines, forests, water powers, fisheries, etc., but they may not become known right away. You yourselves know very little about them. Some prominent American mining interests have turned their telescopes toward the Canadian North all the way from Quebec to British Columbia.

American farmers and investors are afraid of taxation here after the war, but I cannot see why. In 1915 field crops of the three prairie provinces amounted to more than Canada's total war debt up to date. American farmers are still coming in larger numbers than realized, 75 to 150 young, experienced farmers every month through two gateways over one railroad into the Alberta sections around Calgary all of last year, and they all brought plenty of cash. Your farm land sales to your own residents are surprisingly large—more than $9,000,000 worth by two companies, namely, the Canadian Pacific Railway and the Hudson Bay Co., last year, in small parcels, averaging $16 to $17 an acre. These figures are official.

Immigration from Europe after the war interests us as much as you, and expert opinion in both countries is divided on this subject. So far as immigration from the United States to Canada is concerned, I look for a more important influx of manufacturers and factory men to the East than of agriculturalists to the West. This will be better for Canada as a whole. Industry and agriculture should progress together to keep a country commercially self-sustained and politically well-balanced. It is important, too, that the railways prosper, and it is not profitable railroading to run a lot of cars jammed full one way and empty the other.

Speaking of Wall Street, I said at the beginning that there is nothing sinister about it, but there may be something sinister about a billion-dollar pile of new gold easily acquired. American bankers wonder what they should do about it. Of one thing they are sure—we cannot keep it all. Much new capital is needed to increase our railway facilities. Much will be needed for general development in Canada, where American exporters will no doubt find preferential trade channels, as emphasized by J. S. Dennis, of the Canadian Pacific Railway, for many years a citizen of Calgary. Canada's credit is the best, largely because of the high character of its men and women.

RE ALIEN ESTATES.

No Probate to be Granted Without Consent of Minister of Finance.

The present issue of the British Columbia *Gazette* contains an Order-in-Council which will be of interest to estate departments of Canadian trust companies. According to the order, no probate of a will or of letters of administration of the estate of any alien subject shall be granted in respect of any assets in this country without the express assent of the Minister of Finance. In cases where probate or letters of administration are granted, the condition is made that no portion of the assets may be paid to any beneficiary or creditor who may be an alien. Revoking of the grant will follow any departure from these instructions. Any applicant for letters of administration or probate during the war shall furnish evidence to the satisfaction of the judge to whom application is made that the person in respect to whose estate such probate or letters of administration are applied for was not an alien; the Minister of Finance is given power to sanction the payment of moderate sums to aliens who were residents of the province previous to the outbreak of the war.

FIFTY-THIRD ANNUAL REPORT OF

THE HURON AND ERIE MORTGAGE CORPORATION

HEAD OFFICES - LONDON, CANADA

The Fifty-third Annual Meeting of the Shareholders was held at the Corporation's Offices in London, Ontario, on Wednesday, February 14th, 1917.

The Annual Report and Financial Statement were submitted as follows:

After defraying the expenses of management and all other charges, and making allowance for actual and possible losses, the balance available for distribution is $480,972.27, as follows:

Brought forward from the previous year's account	$ 40,662.19
Net profits upon the past year's business	440,310.08
	$480,972.27
Of which the following disposition has been made:	
Four quarterly dividends of 3 per cent. each (making the total distribution 12 per cent.)	$298,474.55
Government and Business Tax	7,902.30
War Tax	10,296.03
Set aside for Transfer to Pension Fund	10,000.00
Set aside for transfer to British Red Cross Fund, Canadian Red Cross Fund, Military Y. M. C. A. Fund, Royal Navy Comforts Fund	2,750.00
Transferred to Branch Extension Fund	10,000.00
Transferred to Reserve Fund	55,930.52
Balance carried forward	85,518.87
	$480,972.27

The Reserve Fund now amounts to $3,000,000.00, or one hundred and twenty per cent. of the paid-up Capital.

The sum of $10,000 has been set aside for transfer to the Pension Fund, and the sum of $2,750.00 for Patriotic purposes as above noted. The Shareholders will be asked to approve these transfers.

The Corporation has no real estate on hand other than office premises, all properties which have come into the possession of the Corporation by foreclosure, failure to obtain purchasers under power of sale, or otherwise, having been sold.

The Directors desire to bear testimony to the very efficient manner in which the Officers of the Corporation have discharged their respective duties.

All of which is respectfully submitted.

T. G. MEREDITH, President.

London, Ontario, January 27th, 1917.

Statement for Year Ending December 30th, 1916.

ASSETS AND LIABILITIES.

Dr.

Liabilities to the Public—		
To Sterling Debentures	$ 4,800,955.59	
To Canadian Debentures	4,370,279.67	
To Deposits	2,820,433.14	
To Interest accrued but not due	99,004.03	
		$12,090,672.43
To the Shareholders—		
To Capital Stock paid up	$ 2,500,000.00	
To Reserve Fund	3,000,000.00	
To Officers' Pension Fund	10,000.00	
To Branch Extension Fund	10,000.00	
To Quarterly Dividend No. 117, due 2nd Jan., 1917, at 3%	74,998.60	
To Balance	85,518.87	
		5,680,517.47
		$17,771,189.90

Cr.

By Cash Value of Mortgages	$11,373,311.06	
Less amount retained to pay prior mortgages	31,386.07	
		$11,341,924.99
To Office Premises		109,830.72
To Canadian Municipal, District and Rural Telephone Debentures		3,392,757.00
To Bonds of Great Britain, the Dominion of Canada and its provinces		716,392.00
To Other Bonds and Securities		98,141.00
To Canada Trust Co. Stock at cost (Value on basis of Reserve, $1,459,350)		1,180,860.00
To Cash in Office	$ 59,556.80	
To Cash in Bank	871,727.39	
		931,284.19
		$17,771,189.90

RESERVE FUND AND UNDIVIDED PROFITS.

Reserve on 31st December, 1915	$2,900,000.00	
Transferred from Premiums on Stock	44,069.48	
Transferred from Profits on 30th December, 1916	55,930.52	
		$3,000,000.00
Undivided Profits for 1916		85,518.87
Reserve Fund and Undivided Profits on 30th Dec., 1916		$3,085,518.87

AUDITORS' REPORT.

We hereby certify that for the year ending December 30th, 1916, we have audited the Books and Accounts and have examined the Securities of the Huron and Erie Mortgage Corporation, except those of its branches at Regina, Winnipeg and Edmonton.

All our requirements as Auditors have been complied with, and in our opinion the above statements are properly drawn up so as to exhibit a true and correct view of the state of the Corporation's affairs as shown by its books.

The Books and Accounts of the Branches at Regina, Winnipeg and Edmonton have been audited and the Securities there have been examined by Mr. J. C. Pope, C.A., Messrs. Laing & Turner, C.A., and by Messrs. Baldwin, Dow & Bowman, C.A., respectively, and the results as certified to by them are incorporated in the above statements.

M. H. ROWLAND,
F. G. JEWELL, C.A., } Auditors.

London, January 27th, 1917.

The following Directors were re-elected for the ensuing year:

T. G. MEREDITH, K.C., President.
First Vice-President, GEORGE T. BROWN,
F. E. LEONARD, Second Vice-President.
A. H. M. GRAYDON, H. E. GATES, ROBERT FOX, F. R. ECCLES, M.D. PHILIP POCOCK.

FIFTEENTH ANNUAL REPORT OF

THE CANADA TRUST COMPANY

HEAD OFFICES - LONDON, CANADA

(Managed in connection with the Huron & Erie Mortgage Corporation)

The Fifteenth Annual Meeting of the Shareholders was held at the Company's Offices in London, Ontario, on Tuesday, February 13th, 1917.

The Annual Report and Financial Statement were submitted as follows:

After defraying the Expenses of management and all other charges and making allowances for actual and possible losses, the balance available for distribution is $129,087.42, as follows:—

Brought forward from the previous year's account	$ 7,395.15
Net profits upon the past year's business	121,692.28
	$129,087.43
of which the following disposition has been made:—	
Two half-yearly dividends at 6% per annum	$ 59,994.00
Transferred to Reserve Fund	65,000.00
Balance carried forward	4,093.43
	$129,087.43

The Reserve Fund now amounts to $500,000, or 50 per cent. of the Company's paid-up capital.

The accounts, vouchers and securities have been duly examined by the Auditors, whose report is appended.

The Directors desire to bear testimony to the very efficient manner in which the Officers of the Company have discharged their respective duties.

All of which is respectfully submitted.

London, February 1st, 1917. T. G. MEREDITH, President.

STATEMENT AS AT 30th DECEMBER, 1916

LIABILITIES.

CAPITAL ACCOUNT—			
Capital Stock Paid-up		$1,000,000.00	
Dividend payable 1st January, 1917		29,997.00	
RESERVE FUND—			
31st December, 1915	$435,000.00		
Added 31st December, 1916	65,000.00		
		500,000.00	
Balance at Credit of Profit and Loss		4,093.43	
			$1,534,090.43
GUARANTEED FUNDS—			
Sum for Investment		$3,318,224.30	
			$3,218,224.30
ESTATE FUNDS—			
Estate Moneys for Investment		$1,501,398.46	
Unrealized Assets		1,158,105.00	
			2,659,503.46
			$7,511,818.19

ASSETS.

CAPITAL ACCOUNT—		
By Cash Value of Mortgages and Municipal Debentures	$1,428,090.25	
Less Retained to pay assumed Mortgages	42,397.18	
	$1,385,693.07	
Call Loans on Municipal Debentures, etc.	14,506.00	
Real Estate on Hand	12,423.43	
Cash on hand and in Banks	121,467.93	
		$1,534,090.43
GUARANTEED FUNDS—		
By Cash Value of Mortgages and Municipal Debentures	$3,040,357.00	
By Call Loans on Municipal Debentures, etc.	15,371.00	
Cash on hand and in banks	262,496.30	
		$3,218,224.30
ESTATE FUNDS—		
By Cash Value of Mortgages, Bonds and Debentures	$1,360,206.00	
Unrealized Assets	1,158,105.00	
Cash in Banks	141,192.46	
		2,659,503.46
		$7,511,818.19

HUME CRONYN, General Manager.

We hereby certify that for the year ending December 30th, 1916, we have audited the Books and Accounts and have examined the Securities of The Canada Trust Company, except those of its branches at Regina, Winnipeg and Edmonton. All our requirements as auditors have been complied with and in our opinion the above statements are properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs as shown by its books.

The Books and Accounts of the Branches at Regina, Winnipeg and Edmonton have been audited and the Securities there have been examined by Mr. J. C. Pope, C.A., and by Messrs. Lang & Turner, C.A., and by Messrs. Baldwin, Dow & Bowman, C.A., respectively, and the results as certified to by them are incorporated in the above statements.

M. H. ROWLAND,
J. F. KERN, } Auditors.

London, January 20th, 1917.

The following Directors were elected for the ensuing year:—

T. G. MEREDITH, K.C., President

F. R. ECCLES, M.D., Vice-President

H. S. Blackburn, Geo. T. Brown, I. Campbell, K.C.; E. P. Clement, K.C.; John Cowan, K.C; V. Cronyn, K.C.; Robt. Fox, H. E. Gates, A. H. M. Graydon, F. E. Leonard, Hon. F. G. Macdiarmid, J. B. McKillop, R. O. McCulloch, Philip Pocock, Hume Cronyn.

TWENTY PER CENT GAIN IS REPORTED BY LONDON LIFE

Business in Force at End of 1916 Exceeds Forty-one Million Dollars.

RECORD IN NEW POLICIES

Policyholders' Surplus Grows Steadily and This Year is Placed at the Conservative Figure of $301,404.

With insurance in force at the end of 1916 of $41,715,317, the London Life Insurance Company registers a gain in business for the year of almost 20 per cent. This splendid showing was secured on an increase of 2,972 ordinary and 20,770 industrial policies, bringing the total of ordinary policies up to 20,951 and the industrial policies to 151,544. The actual new business closed during the year amounted to $13,035,945, comparing with $11,060,511 in 1915, and was almost two million dollars ahead of the record.

Receipts show a substantial increase. In its preliminary statement, the company does not separate ordinary and industrial premiums, but gives the two combined, as $1,571,636. In 1915, there was received on account of industrial premiums, $649,515, and on account of ordinary premiums, $672,813, a total of $1,322,328, giving a gain for 1916 over 1915 of $249,308. Interest on investments amounted to $402,144, as against $343,793 in 1915, a gain of $58,351. Total receipts were, therefore, $307,658 in excess of 1915.

Death Claims.

The company lumps all its payments to policyholders in one sum, viz., $507,583, but in the course of his remarks at the annual meeting, Dr. A. O. Jeffery, K.C., the vice-president, stated that war claims amounted to over $100,000, or about 20 per cent. of all payments to policyholders and heirs. As the total death rate was 64.2 per cent. of the expected, and as war claims accounted for 28 per cent., total death claims were evidently about $228,500. Of course, it does not follow that this sum was actually disbursed. Part of it is doubtless carried as claims accrued in the statement of liabilities. At the same time it may be interesting to note that death claims settled in 1915 amounted to $188,292, so that all things considered, the increased calls for the year were not exceptionally heavy.

All other disbursements for 1916 are given as $592,580, which compares with $498,789 in 1915. The percentage of the total receipts, which expenses represented in 1916, was therefore 30.0 per cent., whereas, in 1915, it was 29.9 per cent., a very small proportionate increase, considering the larger business.

Investments.

The net result of the year's operations was to produce the sum of $873,616 for investment. Added to this were the principal moneys accruing from terminated investments, giving a total of $1,155,291 to be placed in the various securities favored by the company. Of this amount, $192,300 was placed in mortgages; $98,662 was loaned on policies, and $864,328 went into bonds and debentures. The invested assets of the company, as a result of these accretions and the higher value of the securities held, were therefore increased from $5,731,535 to $6,606,205.

With respect to mortgage loans, the loan committee reports that "owing to the continued depression in real estate values, due in part to the European war, in which Canada, as a part of the British Empire, is involved, and because of discriminatory legislation and other unfavorable features, the committee deemed it advisable to continue during the past year the policy adopted two years ago of eliminating all speculative building loans in cities and towns, thus confining mortgage loaning operations to owners' homes and such productive farm loans as afforded ample margin of security."

Disposition of Earnings.

The company has maintained its basis of valuation of the liability under policies in force and has therefore added to the reserve the sum of $835,731, which is $295,999 in excess of governmental requirements. To provide for all possible contingencies, the sum of $5,000 was added to the investment reserve account, bringing it up to $40,000. As the book value of the company's holdings of stocks and bonds was $60,808 under the Government valuation of such securities, there is a reserve in effect of over $100,000.

Accumulating and accruing profits have been enlarged from $132,720 to $164,680, and investment and reserve and other liabilities from $143,865 to $214,705. This leaves a balance as between assets and liabilities, not including paid-up capital, of $301,404. or, deducting paid-up capital, of $251,404, which represents the policyholders' surplus at the end of 1916. As pointed out by E. E. Reid, the actuary, a surplus of $834,642 might have been shown, had the statement been issued in strict conformity with the terms of the Insurance Act.

What is perhaps of special interest in the London Life's report is the statement that notwithstanding the heavier death claims and the strain on reserves by means of the large increase in new business, it was possible to maintain profits on the generous scale adopted at the beginning of the year.

THE CUBAN SITUATION.

Disturbances Not Likely to Prove Serious.

In view of the extensive financial interests of Canadian investors in the West Indies, some apprehension is no doubt being felt in connection with the disturbances which have arisen out of the disputed presidential election. Under the circumstances, the opinion of a director of the Cuba Cane Sugar Corporation that the trouble is not likely to spread to serious proportions is reassuring. The fact that Cuba is enjoying a wave of unprecedented prosperity, due largely to the war prices that the Island is receiving for its sugar, will probably cause all parties to think twice before stirring up a revolution with its attendant losses, especially with a bumper sugar crop waiting to be marketed.

Like all the other sugar companies, Cuba Cane was delayed by weather conditions in starting the 1916-17 grinding. However, the delay was comparatively inconsequential, amounting to a week to ten days. The fact that cutting started late is not altogether an unfavorable factor, since sugar content increases as the cane becomes more mature, and yield is thereby increased. Production is now running at a good rate, and there is no reason why Cuba Cane should not manufacture the amount estimated some time ago for the 1916-17 season, which was between 3,800,000 and 4,000,000 bags.

CANADIAN SHIPBUILDING.

Permits Granted for Building Nineteen Vessels for Export.

For obvious reasons it was deemed desirable, during the first session of Parliament following the outbreak of the war, to take steps to prohibit the export of ships from Canada without first obtaining the approval of the Government. As a result of this legislation, it became necessary that Canadian firms, before concluding any contracts for the building of ships for parties outside Canada, should first obtain an assurance from the Government that permission to export would be granted. The Government adopted the view that advantage should be taken of this opportunity to encourage the industry, thus providing for the full employment of building yards at several points, and paving the way for permanent and increased shipbuilding after the war. It was, therefore, decided to grant permission for the construction for export of the undermentioned cargo vessels:—Three large steel vessels with a carrying capacity of over 8,000 tons each, at a price of approximately $1,200,000 each, and four other large steel vessels, all to be built at Vancouver; three full canal size steel vessels to be built at Port Arthur; two full canal size steel vessels to be built at Toronto; two steel vessels of approximately 3,000 tons capacity, and two of 4,250 tons capacity, also to be built at Toronto; two steel vessels of about 7,000 tons capacity to be built at Montreal; and three steel vessels to be built at New Glasgow, N.S. In addition, two vessels are to be built in British Columbia yard for a direct British service between British Columbia ports and Canadian Atlantic ports, via the Panama Canal. All this is a healty sign of the adaptability and courage of Canadian business men.

AMALGAMATION OF THREE SYSTEMS IS SUGGESTED

C. J. McCuaig Offers a Suggestion for Solution of Canada's Railway Problem.

By C. J. McCuaig, President, Southern Canada Power Co.

Some years ago Jim Hill stated that this country could not support three transcontinental railways, but that it might support two.

In reading this statement of Hill's, I was so much struck with it that I made a very careful study of the situation, which I was in a good position to do, as I know many of the operating men of the various railway companies quite intimately.

In the winter of 1913 I made the suggestion to the Government that the proper solution of the problem was to force a combination of the Grand Trunk, Grand Trunk Pacific, and Canadian Northern, either including the Transcontinental in the deal, or operating it separately, and also to secure the co-operation of the C. P. R.

The reason for the co-operation of the C. P. R. is obvious. If these other roads pass into the hands of the Government, every time a general election came around there would possibly be a decrease in freight rates to and from the West, which would incidentally hit the C. P. R. hard, hence it would not be in the interest of the C. P. R. to have these roads pass into the hands of the Government, and consequently it should desire to facilitate in any reasonable manner any new transaction which would mean their being taken over by private enterprise.

Originally, my idea was that the C. P. R., which has a very heavy grade through the Rocky Mountains, might lease, purchase, or pay for running rights over one of the lines owned by the G. T. P. or C. N. R. from Edmonton West.

Then if the Government retained control of the Transcontinental, the C. P. R. might route through traffic over this line, owing to the fact that its own line along the North Shore of Lake Superior has poor grades and alignments on account of the contour of the country.

I take it for granted that the Government will have to assist in some measure should private enterprise take over the new combination, but only upon a basis which would definitely fix for all time the measure of that assistance. The country would then know definitely and finally what its obligations were as regards these railways. The Provincial Governments would be protected.

I made the statement in the early part of 1914 that it would cost two hundred millions each to complete the two roads, whereas owing to the fact that each was the complement of the other to a certain extent, if they were combined, possibly $100,000,000 to $150,000,000 would be sufficient to complete them as one organization.

Some of the great advantages of this combination would be the great increase in efficiency and carrying power, as in busy season they could be operated as a double track system, though not an ideal one; the overhead expenses would be reduced enormously, and the waste and expense of unnecessary duplication of feeding lines and terminals would be obviated.

In connection with this suggestion, the forthcoming report of the Commissioners appointed to investigate the whole railway question will be of great value.

MINERALS IN B. C.

Copper Production for 1917 Estimated at 10,000,000 Pounds.

Estimating British Columbia's mineral output for 1916 at $42,800,000, as compared with $29,600,000 in 1915, N. Thompson, president of the Vancouver Board of Trade, predicts that the copper production of 1917 will reach 10,000,000 pounds. Mr. Thompson has prepared for the Government a memorandum on the mineral resources of the province, which may be summarized as follows:—

The Gordon river ore is high grade and shows magnetite assays of 68 per cent. metallic iron. Considerable development work has been done, and it is estimated that several million tons is actually blocked out on these claims. At Sechart, on Barkley Sound, there is a good deposit of Bessemer iron ore traceable on the surface for approximately two miles and situated only 1½ miles from salt water. One claim is estimated to contain 2,000,000 tons of ore from 62 to 70 per cent. metallic iron.

On Quatsino Sound, also West Coast, there is a large deposit of bog iron or limonite running from 48 to 50 per cent. metallic iron. It has been estimated there are 10,000,000 tons of bog iron in these claims. It is a steam shovel proposition, and it is estimated that the ore can be mined and transported to nearest shipping harbor for 70 cents per ton.

Large deposits of magnetite are in the vicinity of Campbell Lake. This ore assays 66.6 per cent. metallic iron with slight traces of sulphur and phosphorus and absolutely free from titanium. Samples were submitted to Sheffield experts who pronounced it the best they had ever seen, and that it could be treated for eight shillings per ton less than the best Norwegian ores.

On Texada Island is one of the largest deposits of magnetic iron in the province. It is high-grade magnetite assaying over 66 per cent. metallic iron.

On Knight's Inlet, Smith's Arm, and Dean's Channel, also on the Queen Charlotte Islands, are found large deposits of magnetite iron, which some day will figure largely in the industrial development of the province.

At Copper River there is a hematite deposit, and it is estimated several million tons of red hematite assaying 52 per cent. metallic iron are blocked out. Coal is found close to the deposit. The Grand Trunk Pacific had a survey made of a railway to tap this section. So far the best showing of hematite ore is found in the Chilcoten district.

The best known deposit in the interior is that on Fenwick Mountain known as the Bull River Iron Mines, a micacious hematite assaying 60 per cent. metallic iron.

There are deposits of iron at Deer Park, on the Arrow Lakes; also near Kamloops. In the Similkameen there are big deposits; also on Pit Lake, and bog iron is found near Sumas and other points on the Fraser River. Beds of bog iron and limonite have been found near Harrison Lake, but no reliable information is obtainable regarding their value.

MUST RETURN SECURITIES.

Stocks and Bonds Given as Collateral for "Stock Gambling" Ordered Released.

The Northern American Securities, Ltd., must return to William R. Wilson a certificate for three shares of stock on the Montreal Cottons, Ltd., which had been deposited with them for safe-keeping. They must also return to James Wilson $4,000 of bonds of the Dominion Cotton Mills, Ltd., delivered by William R. Wilson, to F. W. Wurtel, representative of the defendant company, as collateral security for advances for certain alleged speculations by W. R. Wilson with the defendants. The lower court before whom this action was tried, held that the business was one of gambling on differences on the future value of stocks and as such was illegal and prohibited by article 231 of the Criminal Code, and that as the alleged indebtedness for which the bonds were pledged as collateral security arose from transactions and speculations prohibited by law, it was not enforceable by the company defendant, therefore the bonds were held without legal title or right and hereby were released.

There was no difficulty about the recovery of the three shares of preferred stock of Montreal Cottons.

This finding has been unanimously confirmed by the Court of Review.

FORD IN ENGLAND.

American Auto Builder to Invest $10,000,000 in Plants.

The sum of $10,000,000 is to be invested in motor car plants in Great Britain by the Ford Motor Company, according to plans that have been under way for some time. Negotiations for sites have been reported in the English newspapers, but no announcement has been made by the Ford Company in this country. It is known that the intention to invade Great Britain with two large factories one to start with not less than 2,000 employees, is now being pushed with vigor. A representative of the Ford Company admitted to-day that the proposal called for the expenditure of $10,000,000, but said that any formal announcement would have to come from Mr. Ford.

All sailings from Norway to the United States have been temporarily suspended.

AFFAIRS OF N. ATLANTIC FISHERIES ARE IMPROVED

Current Indebtedness and Bank Loans Totalling Over $150,000 Has Been Cleared Off.

The North Atlantic Fisheries Company is a concern in which Nova Scotia investors have put $500,000 in its preferred stock, and there is a still larger nominal amount, which may be considered chiefly "water." Readers of THE FINANCIAL POST have been made aware from time to time of the affairs of this company, which was not a success, but which to-day is doing much better than seemed possible a year ago.

At that time the company had current indebtedness of $18,000, and there was besides, and vastly more important, a demand loan from the bank of $107,000 and a time loan of $26,000. This has all been paid off by sales of a portion of the property which was unprofitable, except $17,000 of the last mentioned item, and that will soon be reduced by $4,000 when the Dominion Government's subsidy of $4,000 for the operation of a cold storage plant for the use of fishermen has been received.

In addition, it is to be observed, according to information given to THE FINANCIAL POST this week, that the company, having ceased for the time its operations in the fish curing department, is earning a net profit of $800 a month, which is about equal to 2 per cent. on the preferred stock, which is cumulative at the rate of 7 per cent. The company, therefore, is out of the danger of forced liquidation, which appeared to be inevitable twelve months ago.

A fire destroyed the smoke house of the company last week, and it looked as if the whole plant would go. The fireman, however, were able to confine the blaze to narrow limits, and the insurance will probably cover the loss. It is the intention to rebuild the smoke house, and this will be done on a fireproof scale. The former buildings were very far from possessing this quality. It will be a question for the shareholders at their meeting in May to decide whether they will get more capital and resume manufacturing in the fish department or sell out.

U. S. PACIFIC TRADE

Large Increase in Business With Japan and All Asia.

Trade of the United States with Japan practically doubled in 1916. A compilation by the Foreign Trade Department of the National City Bank of New York, shows an increase of 138 per cent. in the exports to Japan in the calendar year 1915, and an increase of 73 per cent. in the imports from that country. The total value of the trade of the United States and Japan in 1916 was $291,000,000, against $154,000,000 in 1913, the former high record year.

In fact, the trade with all Asia shows very large gains in 1916, the exports to all that continent (except the $166,000,000 sent to Asiatic Russia for transference thence to Russia in Europe) was $721,000,000 in 1916, against $411,000,000 in 1915 and $365,000,000 in 1914, and the imports from Asia, $517,000,000 against $306,000,000 in 1915. The greatest growth, however, in our Asiatic trade has been with Japan, to which the exports of 1916 were $109,000,000 against $46,000,000 in 1915, and $42,000,000 in 1914

F. N. Burt Company, Limited

Statement for the Year Ending December 31, 1916

PROFIT AND LOSS ACCOUNT.

The Balance at credit of Profit and Loss Account, December 31, 1915, was	$161,266.77	
Profits for the year were	329,515.10	
		$490,781.87
The Appropriations were as follows:		
Dividends on Preference Stock Nos. 26, 27, 28 and 29	$138,264.00	
Dividends on Common Stock Nos. 25, 26, 27 and 28	45,000.00	
Transferred to Realty and Plant Reserve Account	75,000.00	
		258,264.00
Balance to carry forward to 1917		$232,517.87

BALANCE SHEET, DECEMBER 31ST, 1916.

LIABILITIES.

Capital Stock:		
Preference Stock	$1,975,200.00	
Common Stock	750,000.00	
		$2,725,200.00
Mortgages Payable		25,000.00
Accounts and Bills Payable		408,221.23
Dividend on Preference Stock No. 29, payable 2nd January, 1917	$34,566.00	
Dividend on Common Stock No. 28, payable 2nd January, 1917	22,500.00	
		57,066.00
Realty and Plant Reserve Account		250,000.00
Profit and Loss Account—Balance		232,517.87
		$3,698,005.10

ASSETS.

Real Estate, Buildings, Plant, Machinery, Patents, Goodwill and Investments	$2,569,,500.55	
Stock-in-trade and Prepaid Charges	634,204.44	
Accounts and Bills Receivable	357,272.43	
Cash at Bankers' and on Hand	137,027.68	
		$3,698,005.10

Audited and found correct,
CLARKSON, GORDON & DILWORTH, Auditors.

EXTRACTS FROM THE PRESIDENT'S ADDRESS.

At the Eighth Annual Meeting of Shareholders, held on February 20th, 1917, Mr. S. J. Moore, the President, spoke at length regarding the Company's affairs. Some extracts from his address are given below:

"A new record was established in the year 1916 for both volume of business and net profits. The profits, to which the American and Canadian factories contributed in increased amounts, are almost 50% greater than those of any previous year. This result corresponds with the increased business done, and is gratifying in view of the extraordinary conditions that had to be met during the year by reason of rapid advances in costs of raw materials and scarcity of labor.

"Throughout the year our factories were taxed to capacity, and a considerable amount of profitable business had to be declined. We have continued to increase our manufacturing equipment, however, and are in a position to handle a larger volume of business during 1917 than that produced in 1916. From present indications we are assured of this increase. Never before have we had such a large amount of unfilled orders on our books.

"The gratifying increase in profits, produced in spite of many difficulties, is chiefly due to the ability and energy of the Company's managers and other officials at Buffalo and Toronto, and I desire to pay tribute to the efficiency with which they and their assistants have handled the Company's affairs.

"Surplus profits to the extent of $146,251, or 44% of the year's total, were retained in the business, and have been used to provide for all of the increase in Properties Account, and to increase the surplus of quick assets over liabilities by upwards of $71,000.

"The Directors are asking the shareholders for authority to increase the Common Shares by $750,000. It is not proposed to immediately dispose of any part of this stock, but the rapid growth of the Company's business may make it desirable to issue the shares at a subsequent date."

The Board of Directors were re-elected for the ensuing year, as follows:—S. J. Moore, A. E. Ames, F. N. Burt, W. C. Ely, C. H. Duell, James Ryrie, A. Jephcott and William Findlay.

The officers were re-elected, as follows:—S. J. Moore, President; A. E. Ames and F. N. Burt, Vice-Presidents, and E. G. Baker, Secretary.